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HOUSE OF COMMONS

Friday, March 3, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*Translation*]

BORROWING AUTHORITY ACT, 1995–96

The House resumed, from March 2 consideration of the motion that Bill C–73, an act to provide borrowing authority for the fiscal year beginning on April 1, 1995, be read the second time and referred to a committee.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, I welcome this opportunity to speak to the budget that was brought down Monday by the Minister of Finance.

Not that I am particularly pleased with the provisions it contains, far from it. Nevertheless, I feel it is my duty as a parliamentarian to engage in a critical analysis of the budgetary measures proposed by the government and to report on my conclusions in this House. I admit it was not very difficult to be critical of a budget I would qualify as insidious and inequitable.

This budget is disappointing in several respects, and perhaps I may elaborate.

I think that first of all, it can be said that the budget contains no specific measures for economic recovery and job creation, which is unusual, to say the least, considering the government's emphasis on these issues. Need I recall that during the election campaign in 1993, the Liberal Party promised it would champion job creation and fight unemployment?

My constituents, Quebecers and Canadians are still waiting for this vigorous recovery and the jobs promised in the Liberal Party's red book, which the Prime Minister brandished repeatedly as a sure fire recipe for prosperity. There is nothing new in this budget to create jobs and worse, the Liberal government has, without any compunction, made cuts in the only sizeable job creation program it managed to come up with so far, and I am referring to the infrastructure program.

This program was supposed to create nearly 45,000 jobs—temporary jobs—over a period of three years. The budget intends to cut about $200 million from this program over the next three years, which will inevitably result in the withdrawal of equivalent amounts by participating provinces and municipalities. So altogether, $600 million less will be spent on job creation over the next three years.

• (1005)

What is more, the government is virtually cancelling out the expected effects of the infrastructure program by laying off some 45,000 public servants over the next three years. This is exactly the number of temporary jobs that this program was to create, before it was announced that the program would be spread over five years.

Clearly this budget is continuing the practice instituted by the previous government of going after the unemployed instead of tackling unemployment itself. For instance, despite a significant surplus in the unemployment insurance fund, the government is announcing cuts of 10 per cent in the unemployment insurance budget. Needless to say the federal government is on the wrong track if it thinks that this sort of measure will help find work for the some 800,000 people who are unemployed and looking for work in Quebec.

While the fight against the deficit is being waged on the backs of the unemployed and public servants in the government's budget, and I will definitely come back to this point later on, we must also recognize that it is being waged at a cost to the provinces.

With its brief passages in French alluding clearly to the referendum, the Minister of Finance's speech spoke of the dynamic and changing nature of Canadian federalism based on the pseudo decentralization project, which is nothing more than a hollow promise and a huge operation to dump the federal deficit into the laps of the provinces. They will have no choice but to cut public services and increase income or other taxes or pass the cost on to the municipalities.

Not wanting to spoil its chances in the upcoming referendum, the federal government is taking great care to put off its sinister plan to make massive cuts in transfers to the provinces until next year, that is, until after the referendum. It will be cutting $2.5 billion in 1996–97 and $4.5 billion in 1997–98. And the $7 billion cuts announced in the 1995 budget will be in addition to the $48 billion cuts in transfers to the provinces since 1982 and the $2 billion cuts in the 1994–95 budget.

The worst part of it all is that the provinces will have to continue to meet the standards defined by Ottawa. Those that fail to do so will be immediately deprived of what remains of federal funding, that is an increasingly paltry amount.

Furthermore, this so–called decentralization program will certainly not eliminate duplication, there will always be two ministers of health, two ministers of natural resources, of the environment, of revenue, etc. The alleged project to give more power to the provinces is hollow, because the federal government is not withdrawing from areas that come under provincial jurisdiction in exchange for a share of the taxes we pay to Ottawa. Is federalism cost effective?

For Quebec in 1996–97, these forecasts represent a reduction of almost $700 million or 27.1 per cent of the cuts made to all the provinces. The federal government's way of proceeding in this regard will obviously have a definite impact on public finances in Quebec. Deprived of part of its revenues, which I might add were earmarked for welfare, health and post–secondary education, the Quebec government will be left no alternative other than to make drastic cuts in its own spending, not to reduce its own deficit, but simply to make up for the shortfall due to the drop in federal transfers. Quebec will obviously not be spared in the round of cuts planned for 1997–98. In looking at the Martin budget, the more one reads the more one realizes that it is more of a curse than a blessing to the people of Quebec.

The same can be said for the federal public service and more specifically for the Outaouais which feels it has been given an especially rough ride by the federal budget. The government has shown itself to be extremely insensitive in announcing the elimination of 45,000 jobs in the Canadian public service over three years. Of these 45,000 jobs to be cut during the next three years, some 14,000 will be in the Hull–Ottawa area, nearly one third of jobs cut in the whole country. It is easy to see that this decision would have a direct and very negative impact on the economy and social life in the area.

Of the cutbacks expected to total $29 billion over the next three years, the federal government intends to cut nearly $16.9 billion from the management and operations of its programs. So the federal deficit will to a large extent be reduced on the backs of federal public servants, especially those in the Outaouais region.

Even more unacceptable is the fact that the federal government knowingly made the Outaouais region economically dependent on it. Seeking to generate in Quebec and especially in the Outaouais a sense of belonging to Canada, the federal government began by creating the National Capital Commission in 1958. Pierre Trudeau's Liberal government, eager to give concrete proof of French Power as a means of hampering the sovereignist movement in Quebec, proceeded to implant a large number of federal government buildings on the Quebec shore of the Ottawa River in the 1970s. Probably taking the region for granted, the federal government seems to have no qualms about leaving the region to fend for itself in the wake of the disastrous cuts it announced. To repeat the jest made by the Quebec finance minister, which I feel hit the mark, the federal government is acting like a guy who gets a girl pregnant and then takes off.

• (1010)

I agree with the Coalition des associations économiques de l'Outaouais, which is of the opinion that the federal government must assume responsibility for the region. It must help to absorb the shock of budgetary decisions on the Outaouais region, just like it does when there is a shortage of fish in the Atlantic or a drought in the Western prairies, by giving the region a one–time payment to be put in a fund for diversifying the region's economy. Unless I am mistaken, the budget makes no mention of such a compensation which, by rights, should be paid to the region. Does the government intend—and I see that the Minister of Intergovernmental Affairs, who is responsible for looking after the region, is sneaking out—does the government intend to give—

The Acting Speaker (Mr. Kilger): Order. As we all know, the rules of the House stipulate that no comment can be made either about the presence, and most especially about the absence, of members of the House, in view of all of the various demands and responsibilities of our positions.

Mr. Bergeron: Mr. Speaker, I apologize. Unless I am mistaken, the budget makes no mention of this compensation which, by rights, should be paid to the region. Does the government intend to make good on the request made by the Coalition des associations économiques de l'Outaouais? We are still waiting for an answer, and from what I can gather, we will not get one today either. Obviously, these massive public service staffing cuts are underhanded and pernicious, because they were made unilaterally in an autoritarian way.

In the months leading up to the budget, the government obstinately refused to reach an agreement with the Public Service Alliance of Canada, which represents 70 per cent of federal public servants. This union, however, was ready to negotiate and to hammer out what could have been a mutual and fair agreement with the government. No matter, the government rejected the union's proposal out of hand, not even bothering to negotiate.

The people are justifiably concerned about the quality of the services they are entitled to, which will now be provided by a heavily mortgaged public service. Would it not have been better for the government, instead of slashing its own public service as it did, to put in place mechanisms allowing it to stop wasting Quebec and Canadian taxpayers' money?

What does the government do to avoid wasting public funds, duplication and overlap? Of course, the government did not take any action to achieve this goal. That is why I strongly believe that, had it been otherwise, the cuts in the federal public service could have been less severe.

To get back to the glaring contradictions and questionable priorities in the federal budget, I note that the Liberal government has announced a $532 million cut in the international aid budget. This decision is quite surprising, since he himself pointed out very recently in his foreign policy statement that international aid was crucial to meeting three objectives: prosperity, employment and international security.

Having cut the international aid budget by over 25 per cent, how can the government claim it is adhering to the principle of moral responsibility toward international aid for developing countries, in order to reduce poverty? The fact is, it cannot, Mr. Speaker.

Furthermore, how can they favour international trade development, when Canadian businesses are subsidized so that they are kept artificially dependent on the government? In fact, these subsidies hurt their competitiveness at the international level. This leads me to believe that because he did not have the courage to go further in reducing business subsidies, the minister will help keep these businesses in an unhealthy state of dependence that will hurt their development and hinder access to international markets.

In closing, I would like to say a few words about the budget measures with respect to agriculture. Clearly, the federal budget does not affect all farmers across Canada the same way. The federal government announced the abolition of the $560 million Crow rate subsidy that helps finance Western grain transport.

• (1015)

However, this measure comes with a financial compensation package in the order of $1.6 billion for losses in land values, as well as $1 billion in credit guarantees for grain purchases. In addition, Western farmers affected by the cancellation of the Crow rate subsidy will receive $300 million over five years to facilitate the transition. On the other hand, Canadian milk producers, almost 50 per cent of whom are in Quebec, will see their federal subsidies cut by 30 per cent over the next two years.

I find it hard to understand the logical basis for compensating Western farmers for the loss of the Crow rate subsidy, while industrial milk producers, most of whom live in Quebec, will not be entitled to any compensation from the federal government. Is this a case of double standard? I am afraid so.

After crying wolf for several months to prepare the population for draconian budget measures, the Liberal government finally gave birth to a budget that is neither flesh, fish, nor fowl, that defers until later many of the real solutions, and that insidiously ignores many of its potentially perverse and negative effects.

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I must say that I was really disappointed with the Bloc's presentation. Perhaps nothing more should be expected from someone speaking on behalf of a party which has already made fundamental choices for ideological reasons and is therefore impervious to the truth.

The truth is that, last year, 433,000 new jobs were created in Canada. This is actual job creation, not just idle talk. In Quebec, 116,000 jobs. In the National Capital Region, a net total of 16,600 new full time jobs were created in 1994. These are the facts, not a bunch of unsubstantiated claims like those made by the previous speaker.

Yesterday, when the hon. member for Verchères said 14,000 public service jobs would be lost in the Outaouais region, he showed his profound lack of understanding of the region. The truth is that the total job loss resulting from the budget over a three year period will be approximately 3,000, not 14,000.

In all of Canada, 45,000 jobs will be cut but this does not mean people actually losing their jobs because in many cases these jobs will be filled by other employees reassigned as a result of the attrition process. I cannot expect the hon. member opposite to have deep knowledge of government, but I would ask him to at least stick to the facts and analysis. The truth about the budget tabled this week is that it is the only way to promote job creation in the long term.

When the hon. member says that this budget will result in the loss of a few thousand jobs throughout the National Capital Region, he makes it sound like job creation would necessarily ensue if the deficit in the federal budget were allowed to continue to build up. If that were true, Canada would have achieved full employment a long time ago, given its accumulated deficits.

The truth is that this is the only way to avoid hitting the wall like New Zealand did. In just a few months, New Zealand had to cut its public service by two thirds, not a mere 14 per cent like us. Our public service will continue to operate with 86 per cent of its employees in three years. Because New Zealand acted along the lines of what the hon. member opposite recommends, it had to cut its public service by two thirds. These are historical facts, not empty words like those spoken by the hon. member.

By shrinking the size of the federal government, which was long overdue, by forcing ourselves to streamline and downsize government, we are ensuring that the 1994 job creation effort can continue.

• (1020)

If we had carried on with the deficit that we had, the rise in interest rates would very quickly have prevented investments in the private sector, thereby also preventing the creation of jobs. What we did was to foster the economic climate which will promote investments and new jobs in the private sector.

The member opposite has no idea of what is going on in the Outaouais, which is my region, when he says that the federal government is keeping it in a state of dependency. If you look at the 1971 census figures, you will see that, back then, one third of all the jobs for our region were in the public service. By comparison, last year only one fifth of the jobs in the Outaouais were in the public service.

In other words, 80 per cent of the jobs in our region are not in the public service. In the national capital region, there are more jobs in the service sector than in the federal government. It is based on that necessary economic diversification that our government developed a plan for the region which will allow the private sector to create jobs that are needed and that will reduce the excessive burden on taxpayers, since the federal public service had become too big.

I have a question for the member opposite regarding dairy producers. Quebec provides 48 per cent of the milk production in Canada and it exports that production elsewhere in the country. Should the province separate, where would it sell its milk, which costs two to three times more than the milk which we could get from the United States? It goes without saying that the rest of Canada would buy its milk at a cheaper price. Quebec's separation would totally destroy its dairy industry. While the federal government adjusts prices at the national level over a certain period of time, the member opposite wants to destroy the dairy industry in Quebec.

As regards public servants, the actual number is 3,000 for the Outaouais, taking into account the five provincial and three federal ridings. We are told that Quebec would absorb the federal public servants, there are 50,000 of them, plus the other 50,000 public servants they already have. They put the 3,000 public servants from the Outaouais and the 100,000 for all of Quebec in the same boat. These people would want us to believe that they will absorb all these public servants, a measure which would cost them $4.4 billion.

Given the analysis made by the hon. member, my question is this: Does he know Quebec sufficiently well to hope to create a better future than the one that we, federalists, have found to be adequate for over 125 years?

Mr. Bergeron: Mr. Speaker, I have a problem with the minister's somewhat sweeping statements. When he says that more than 400,000 jobs were created across Canada, when he says that thousands of jobs were created in Quebec, he implies that it was all thanks to the federal government.

Last year, the federal government did not set up a single job creation program, with the exception of the infrastructures program, which is a program of temporary jobs. The government is just riding the wave of economic recovery. Jobs are being created and it says: Look at that, we created those jobs. This is entirely misleading. The federal government had nothing to do with it, and I think it is rather absurd that the minister should go around bragging that they created those jobs.

The government planned to create 45,000 temporary jobs through the infrastructures program and then turns around and cuts 45,000 jobs in the Public Service. I heard the minister say that only 3,000 jobs would be lost in the Outaouais. I hope he is right. We are going to keep tabs on those figures and the region will as well. We can only hope the cuts will not go over 3,000.

However, that does not deal with the real problem. The minister says he knows the Outaouais area well, but if he took a more active part in the activities of the Commission on the future of Quebec in this area, he would realize that his knowledge of the Outaouais is partisan and incomplete, since a number of people who appeared before this commission kept telling us—these are not my words—that the region's economy was dependent on the federal government.

The minister quoted some figures just now. He said that, at one time, one of every three jobs in the Outaouais was in the federal public service. It is now one out of five. With the cuts being made by the government, it may go eventually down to one out of ten. My point is that considering the economic dependence the federal government has artificially created in the Outaouais, is the federal government—and the minister did not answer this question—is the federal government prepared to offer financial compensation by investing in an economic diversification fund, to compensate for the number of jobs lost in the public service? To get back to the notorious question, if I can call it that, because it is more like, I will not use the word misleading, but a very—

• (1025)

An hon. member: Very pernicious.

Mr. Bergeron: —pernicious, thank you, a very pernicious statement that sovereignty would destroy Quebec's dairy industry. First of all, I want to say that I am dismayed at the minister's lack of confidence in Quebec's dairy industry, and furthermore, the minister ought to know that the milk produced in Quebec is probably the best quality milk in North America. There are no two ways about it. It is the best. No doubt about that. If you want to buy a quality product, no problem. Milk from Quebec can meet the highest standards in the world.

That being said, this can work both ways, since in Quebec we eat a lot of beef from Western Canada, which is probably more expensive than beef we could buy elsewhere. In the event of a sovereign Quebec, if the market dries up for Quebec dairy producers, we will buy our beef elsewhere. Business is business.

The Acting Speaker (Mr. Kilger): Order! Before we proceed, I must inform the House that at the beginning of today's sitting, we forgot to inform the House of the absence of the Speaker. I therefore order the clerk to make the appropriate entry in the *Votes and Proceedings*. Resuming debate. The minister of Intergovernmental Affairs.

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I am delighted to participate in this debate. This is a budget of very strong measures, because this is what it takes to break the deficit's hold on our policies. This budget contains the most draconian measures taken by a government in 50 years.

[*English*]

The budget achieves our deficit goal without increasing personal income tax rates. For the second year in a row the government has refused to reduce the deficit on the backs of individual Canadians.

I am particularly pleased to have the opportunity to explain the process and significance of the program review, one of the core elements of the budget.

Last September in Quebec City the Prime Minister outlined the four key elements of the government's jobs and growth agenda. This week hon. members have witnessed with the unveiling of the 1995–96 budget the details of one of those fundamental elements, the program review.

Last year the Prime Minister asked me to lead, in co–operation with my cabinet colleagues, the most fundamental review of government operations in two generations. The review was meant to be and was an exhaustive examination like none ever undertaken before of every government program and service, with a view to getting government back to basics and focusing on the priorities of Canadians.

I worked closely with my colleagues and I want to take this opportunity to congratulate them once again for their commitment to the exercise designed to get government right.

Unlike previous governments we listened to Canadians and the result we have seen in the budget tabled by my hon. colleague, the Minister of Finance, demonstrates that we have the courage to set the country on a new, much more secure course.

I believe the Canadian people will agree that the budget and the program review results are ushering in a new approach to government.

• (1030)

It will be a dramatically changed national government. It will be a government that is getting back to basics, a government that reflects the priorities of average Canadians, a government that is affordable, a government that protects the most vulnerable, and a government that responds to the true needs of Canadians.

[*Translation*]

The Prime Minister detailed our intentions last September before the Quebec City Chamber of Commerce saying that control over the size and cost of government was vital to economic growth and job creation. It was in this perspective that the program review was developed and became one of the basic components of the budget.

This review will enable the federal government to focus on its major priorities, to return to basics while enabling it to reduce its expenditures in an orderly fashion. The review was guided by three objectives.

First, to strengthen public administration of federal programs and services; efforts in this regard will lead to a smaller but more efficient federal administration, which will provide the programs Canadians consider important. Secondly, to help modernize Canadian federalism; the government should provide only those programs and services it is best suited to provide. Thirdly, to help the government attain its financial objectives.

This involved, therefore, totally rethinking what government did and what Canadians could allow themselves. In the future, departments will have to drop all but fundamental responsibilities. They are amalgamating like programs and services found within a department or spread among several departments. They are eliminating job duplication and costly overlap. They are reducing the operating costs of programs through new approaches, while raising standards of service. They are funding necessary programs through cost recovery and user fees.

It must be stressed that the aim of the program review was not to identify or make cuts solely in response to financial needs. On the contrary, we asked each minister to review their programs and activities according to six criteria.

First, public interest: Does the program or activity continue to serve the public? Second, the role of government: Is it necessary or legitimate for the government to be involved in the area of the program or activity? Third, federalism: Is the present role of government appropriate, or should consideration be given to transferring it to the provinces? Fourth, partnership: What programs or activities could be transferred wholly or in part to the private or volunteer sectors? Fifth, efficiency: How could the efficiency of the program or activity be improved? Finally,

financial capability: In financial terms, can we afford all of the resulting programs and activities?

[*English*]

I can briefly summarize at this point that we undertook an unprecedented review of government activities because this government believes first and foremost it is crucial that we get our own house in order. As we have seen, this budget focused on cutting spending, not on raising taxes. Second, we began from the premise that the priorities of the government must reflect the priorities of Canadians. We did not want a blind slash and burn exercise.

The approach we took in our program review was guided by three fundamentals: one, its fundamental objective to sustain growth and job creation; two, its fundamental challenge to get the economy right; and three, its fundamental requirement to refocus government on priority roles.

• (1035)

Program review encompassed about $52 billion worth of government spending. The result is that over the next three years program spending will decline by almost 19 per cent, more than $16 billion. Some departments will see their spending cut in half.

The Department of Transport over three years will be cut by 50 per cent. The Department of Natural Resources over the same three years will be cut by 49.8 per cent. The public service will be reduced by 14 per cent, 45,000 positions over three years.

Program review will lead to long lasting structural change in what the government does. These are not, as my hon. colleague the Minister of Finance stated Monday, the phoney cuts we saw so often in the past, measures that pretended to define a slower rate of increase in spending as actual cuts.

The cuts in this budget are real cuts in real dollars. They were accomplished by refocusing government programs on basics, eliminating overlap and duplication, improving the efficiency of our operations and shifting market interventions away from direct subsidies. Let me give some examples.

In the past, agricultural subsidies have been tied to specific commodities which resulted in a large number of programs. The emphasis will now shift from income support to income stabilization.

Fisheries and oceans will focus its resources on science and regulation to ensure conservation and sustainable fish stocks. We will discuss with the provinces the possibility of eventual devolution of freshwater fisheries management.

Finally, assistance to business will be considerably reduced. Assistance will shift to repayable loans.

In many departments there will be fundamental change in how programs and services are delivered. For example, an immigration fee will be charged to newcomers and sponsors will have to provide financial guarantees.

Environment Canada will concentrate more on science and policy and finding new ways to deliver services. Environmental protection remains a priority in order to ensure the health and safety of Canadians. Pollution prevention will become a priority in partnership with the provinces, territories and industries.

[*Translation*]

A large number of specific measures are based on a common philosophy and foundation.

For example, we have taken important measures in this budget to substantially reduce business subsidies offered under all government programs. Subsidies will be reduced by close to 60 per cent over a three year period. Some programs will be discontinued or drastically reduced. For example, we will be eliminating the transportation subsidies offered under the Western Grain Transportation Act, the Atlantic Region Freight Assistance Act and the Maritime Freight Rates Act.

Some programs will be restructured or merged, for example, regional development organizations will be more geared to the needs of small and medium size businesses. Some activities will be transferred to other public administrations. For example, several responsibilities concerning inland waters will be turned over to the provinces; recreational harbours will be divested to municipalities; the forestry and mining development agreements with the provinces will be revoked, since the provinces have indicated that development of these resources falls under their jurisdiction; the operation of airports will be transferred to local authorities.

Some activities will be commercialized or privatized: the remainder of the government's share in Cameco and Petro–Canada, Canadian National, the Air Navigation System, Canada Communication Group. Cost recovery and user fees will be implemented for some services.

• (1040)

Treasury Board will put in place a new spending management system which will improve the management of public funds.

[*English*]

The program review has allowed us to put our house in order in order to tackle the challenges of the next century. It fundamentally changes not only what we do but how we do it. The program review allows us to restore fiscal health to the nation's

finances and also to make necessary spending reductions in an orderly way. The program review actions in the budget only start what will be an ongoing process of reform and renewal of the federal government.

Clearly, as announced in the budget, these results will have a major impact on the public service. All regions of the country are affected by the cutbacks and reductions. This is no less true for the national capital region. I want to say that as the Minister responsible for Public Service Renewal and as a member of Parliament in the national capital region, I am particularly and acutely aware of the difficult period many public servants across the country are going through at this time.

The departure of employees who over the years have demonstrated loyalty, professionalism and dedication is the most painful part of any restructuring process. Decisions that affect people's livelihood are the most difficult to make. Departures are never easy. Let me reiterate this government's commitment to deal with employees in the fairest and most sensitive way possible. We will continue to work with the unions and local governments to ease the transition. We hope to keep layoffs and the number of employees on unpaid surplus status to an absolute minimum.

Some individuals will be accommodated through normal attrition. Some will take advantage of the departure and early retirement incentives announced by the President of the Treasury Board. Some individuals will transfer to the private sector as some operations are being privatized. Others will find work in the private sector. No doubt there will be a period of change and uncertainty as we move to what I firmly believe will be a revitalized public service in the coming years.

[*Translation*]

I deplore the fact that the representative for the Outaouais region, Mr. Blais, and some members of the opposition are misleading the local population and are creating more uncertainty. They are proclaiming that the budget cuts 14,000 public service jobs in the Outaouais region.

In fact, the total number of jobs that will be affected in all of the national capital region, on both sides of the river, will be 12,000 to 13,000 over the next three years. This means, therefore, that the real number of public servants in the Outaouais region that will be affected is more like 3,000. I cannot accuse them of telling untruths, since the difference between their current claims and the true figures is only one job to five, which is about par for them.

I am happy that regional players, including Hull mayor Ducharme and Outaouais urban community president Croteau, have taken a clear, credible and realistic stand on this budget.

With the various measures I mentioned and the co–operation of the private sector and all economic stakeholders in the region, we will manage to minimize job losses while at the same time diversifying the region's economy.

As the member of Parliament representing Hull—Aylmer, I have had the privilege of rubbing elbows with people of this area. I was able to observe how imaginative they are and how enthusiastically they tackle new challenges. I want to salute their courage in these tough times.

The budget is further proof of the flexibility of federalism; it is not stuck in status quo. The budget stresses our commitment to provide the people with good government in Canada. And this entails the challenge of bringing the deficit down and streamlining government. As part of our commitment, no region will be receiving preferential treatment nor be subjected to more cuts than the others.

• (1045)

The new Canadian social transfer combines into one lump–sum transfer three formerly separate transfers, thereby lightening the administrative burden of the provinces. This transfer will ensure maximum flexibility in developing provincial programs suited to the needs of the regions. The new lump–sum transfer limits the restraint the federal government can impose in exclusive provincial jurisdictions.

This new and more flexible formula does not affect the quality of services provided to Canadians.

The terms and conditions set out in the Canada Health Act will be maintained and the provinces will have to abide by the provisions of the act with respect to health care.

At the same time, we remain committed to fiscal equalization, one of the cornerstones of the Canadian federal system, through which Quebec receives nearly $4 billion per year.

The budget marks the beginning of a new era, an era in which the federation will be managed differently. Management will be simpler, more efficient and, yes, more sensitive to provincial jurisdictions. The budget give provincial governments full scope to meet the needs of the people.

The budget is convincing evidence of the fact that the federal system is a progressive, co–operative and dynamic system. Less than a year and a half into this Parliament, we have already tabled two budgets to substantially reduce public expenditures, something Ontario and Quebec will also have to do. We also restructured government organization. The measures outlined in this budget are the most stringent federal measures in fifty years.

[*English*]

We have abandoned the across the board cuts used by previous governments which proved to be counterproductive and ineffec-

tive. This budget is a rational way to bring the size and structure of government into line with our needs.

We agree with Canadians that a balanced budget is the goal and we will get there by setting realistic and achievable targets. This budget leads by example. We are cutting government first.

We believe this budget truly marks the beginning of a new era.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I have been listening to budget speeches for at least 30 years. Except for a brief 8–year period of Conservative government, the Liberals were in office for most of those 30 years. I have yet to see a Minister of Finance table a budget in this House and say that it is not a good one. All were guided by the same concern for fairness and justice. Not one of those ministers said that what he was proposing was not good. What I do not understand is that, after 30 years of good budgets, the end result is bad.

Some hon. members: Hear, hear.

Mr. Lebel: I was never able to understand that equation: the sum total of the good is a negative figure. And right now that figure is almost $600 billion. The Minister of Finance tells us that all those who were here before him were in the wrong and that what they suggested made no sense. He adds that his budget is a real one and a good one. Sure. However, one the predecessors of the finance minister is the current Prime Minister, who also contributed to the growth of the deficit.

The minister just told us that there are people in the national capital region, in Ottawa–Hull, who are happy about the cuts made in the public service. The minister more or less acted the way he did with Saint–Jean. He eliminated 400 jobs and, at the very last minute, he managed to save 20 and claim that it was a miracle on his part. Let the minister bring those Hull and Aylmer residents and ask them in front of us whether they agree with the loss of 45,000 jobs in the public service. Let me give you an example. At the taxation data centre, in Saint–Hubert, there is a 6–month backlog to process the returns of businesses conducting R & D.

• (1050)

Currently, there are businesses on the verge of experiencing major financial problems because they are not receiving their due from the federal government. The public servants cannot process their claim. And the minister would want us to believe that the budget tabled on Monday is the greatest thing since sliced bread. I do not believe that and let me tell you something else. Next year, the minister will once again say: "The others before me, including myself, did not do well. However, I know what I am doing this time".

The minister should explain certain things. I remember one month when the unemployment rate dropped one tenth of one per cent. The Minister of Finance was elated. The economy was picking up and everybody was happy. The following month, economic activity rose by one per cent. Now, that was even better; things were really looking up. But I simply cannot understand these people. How did the minister manage to fool Outaouais residents and make them accept the elimination of 45,000 jobs, when in fact such a loss is a terrible thing. I would appreciate an answer from the minister.

Mr. Massé: Mr. Speaker, I am very happy that opposition members have asked me these questions, because they will give me the opportunity to set the record straight. Over the years, Canadian budgets may have resulted in a large deficit but, at the same time, they have produced what the UN calls the best country in the world, with one of the highest rates of income per capita in the world, a country that enjoys considerable peace and harmony compared with other nations, a country where life is good and incomes are high. That is what successive Canadian budgets have given us.

During the quiet revolution that took place in Quebec in the sixties, we as Quebecers managed to change our structures, values and policies within the federation as it was back then. This gave us the country we now have and want to keep, because it served us well. Speaking of the last budget, 433,000 jobs were created in 1994, including 116,000 in Quebec. What are the factors involved in creating jobs in a country?

Most jobs are not created directly by governments, whether it is Ontario, Quebec or the federal government. However, government policies produce a climate allowing the private sector to create jobs. Clearly, the confidence generated and the policies adopted by the Liberal government last year allowed the economy to create over 400,000 jobs, including more than 100,000 in Quebec. That is what our government has accomplished.

I am so pleased that the hon. member has brought up the matter of Saint–Jean, a community where we had reached with the former Liberal government in Quebec an agreement that the local population found acceptable, which would have kept the college open and continued to create jobs, which was, in fact, a hope for the future. When the new government, of which our Bloc colleagues, under the direction of their leader, are a mere extension, arrived on the scene, it decided, for its own ideological reasons, that it wanted no part of any agreement. These ideological reasons were disclosed by a minister, who has kept a pretty low profile since then.

In one month, we met with local representatives who know that the region needs the college and whose goal is not to promote their ideology but to create jobs and generate economic activity in the region. We agreed with these people to keep the college open and maintain the core that will eventually become a

dynamic institution that will continue to benefit the region. I am still very proud of what we did in Saint–Jean, despite the Parti Quebecois government and its ideology.

• (1055)

Third, I was asked if people in Hull agree. In fact, people in Hull think about what is happening in their community. They know how to evaluate the role of government, how to use it and how to enjoy one of the lowest unemployment rates and one of the highest rates of income in Quebec. They have voted Liberal for decades because they know which party has best served their economic, political and social interests.

[*English*]

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, during the last election the Reform Party ran in many ridings where civil servants would be affected by layoffs. The Reform Party was very honest and said we do have to downsize government. There will be some changes.

The Liberal Party ran against us in those ridings and said: "That brutal Reform Party. We would never do that. The poor civil servants. We would protect their jobs". The word that comes to mind is hypocrisy.

The minister is going to downsize his department. He is quoted in the Ottawa *Sun* this morning as saying that job cuts based on race or sex are illegal according to the charter of rights.

He says that the department recognizes the need for employment equity, respecting the various proportions that exist now and if possible will increase them.

Is the minister going to use this downsizing of the government to try and bring in some form of equity balancing, or is he going to do it by merit the way the laws of the land say he has to do it?

The article suggests that he is asking the department how it is going to do it. Who is in charge? Is it the minister or is it the bureaucrats? I would like to hear his answer.

Mr. Massé: Mr. Speaker, once again these are questions I am glad to answer. In my own campaign in Hull and Aylmer I indicated—the speeches and the transcripts are there for you see—the government would have to be downsized.

I was criticized by part of the electorate but in the end this was not hypocritical, this was the truth. It was told government had to downsize. Knowing the truth, it elected me with more than 53 per cent of the vote in the area. It knew what it was facing and agreed this had to be done.

On the second question, we have here two objectives that have to be realized. The first one is that equity in its largest sense has to be satisfied. There is no doubt that we have to apply equity when we do any move in government, including restructuring government.

However, it is quite clear, and this is what I indicated to the *Sun* yesterday, when we make an exercise like that in a government, the managers who have the responsibility to manage that department will make the choices according to merit and ability that will keep with them the best civil servants.

There is no doubt also that whatever the categories of people, by sex or creed or colour, merit is distributed very equally in the population and that heads of personnel will come to a result that I am sure will conform to the principles of equity.

The Acting Speaker (Mr. Kilger): It being 11.00 a.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

TRANSPORTATION

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, a safe and efficient transportation system is extremely important to all Canadians regardless of the mode of travel.

A proper transportation system will allow our citizens to travel safely and efficiently while providing the tools to enable our goods to reach our various markets.

As our markets become increasingly global, we will depend more and more on transportation systems to stay competitive both in price and delivery. In Atlantic Canada particularly we need a modern highway system that is both safe and efficient in order to compete in the North American market.

I encourage the hon. Minister of Transport and our government to continue to work with the provincial transport ministers to develop a transportation policy that will meet the needs of Canadians today and for the future.

* * *

• (1100)

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, last February the member for Longueuil reported on an advertisement by the Canadian embassy in Poland for potential immigrants from that country to Canada. The ad stated that Polish people would only be required to know English to immigrate to Canada.

Now, the Canadian embassy in Portugal is guilty of the same thing. The Canadian Embassy placed an ad in the Lisbon newspaper *Expresso* to inform potential immigrants to Canada of the conditions for admission. Although it states that knowledge of French and English would be considered an asset in applying to immigrate to Canada, this ad was written exclusively in English.

Here is another significant example illustrating that Quebec should have exclusive jurisdiction over international relations. Quebec should be able to project internationally a true image of its identity and of the reality in Quebec.

* * *

[*English*]

AWARDS

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, it is a pleasure to rise in the House today to pay tribute to two of my constituents: Ivan Traill and Velda Bradley of Neepawa, Manitoba.

Ivan was awarded the Community Service Award. This former school principal started the student exchange program and the Fulford ski trail and worked on both the 1976 and 1992 summer games. He served on the elder hostel program and on the building committee for the Neepawa United Church. Ivan also helped bring cable television to Neepawa and is very active with the local access channel 12.

Velda received the Citizen of the Year Award. She is well known for her pastoral work throughout St. Dominic's Roman Catholic Church and very active in the Neepawa Ministerial Association.

Both these individuals deserve congratulations for their efforts. They have shown that one of the greatest rewards a person can achieve comes with the satisfaction of helping others.

* * *

[*Translation*]

TRIBUTE TO CAROL SHIELDS

Mr. David Walker (Winnipeg North Centre, Lib.): Mr. Speaker, I would like to congratulate Canadian author Carol Shields for the award she has just won.

[*English*]

Last week the U.S. National Book Critics Circle awarded its 1994 fiction prize to this author for her most recent work entitled *The Stone Diaries*.

The Stone Diaries is a warm, witty story of a fictitious Canadian woman's life. This work has attained both national and international recognition. It was awarded the Governor General's Award for English language fiction in 1993, the McNally Robinson Award for Manitoba Book of the Year and was short listed for Britain's prestigious Booker Prize.

[*Translation*]

Carol Shields was also chosen author of the year by the Canadian Booksellers' Association. A native of Winnipeg, Mrs. Shields also holds numerous literary prizes for her other works.

[*English*]

She will be presented with the award on March 23 in New York.

[*Translation*]

My colleagues join me in congratulating Carol Shields once again and in encouraging her in her literary pursuits.

* * *

INTERNATIONAL WOMEN'S WEEK

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, this week men and women around the world are celebrating International Women's Week. On this occasion, I would like to emphasize the important social contribution made by women internationally and praise their many successes.

[*English*]

Status of Women Canada has selected "Creating a World of Equality" as this year's theme.

Internationally Canada has been a leader with respect to the advancement of women's rights and the empowerment of women in developing nations. Nationally Canada has made great strides in this area.

[*Translation*]

The fact remains however that we all, men and women, have much more to accomplish in this regard. As a Liberal member of Parliament and father of three young women, this week is especially meaningful to me. I remain full of hope that my daughters and young women everywhere will live in a world which will allow them to achieve their full potential, where "Creating a World of Equality" is becoming an increasingly important guiding principle.

* * *

[*English*]

CANADIAN BROADCASTING CORPORATION

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, I rise today to voice my objection to today's court hearing of the CBC's application to televise the trial of Paul Bernardo.

• (1105)

As the member of Parliament for Burlington, a riding that has been greatly affected by the crimes Mr. Bernardo is accused of committing, I believe that justice would be better served without the glare of television cameras.

I question why the CBC would apply to televise this case. Is it possible the corporation believes that Canadians wish to emulate the U.S. system with its phantasmagoric coverage of trials like that of O. J. Simpson? I say it is wrong.

Canadian courts are open and accessible. Individual Canadians interested in knowing more about our court system can attend all the various levels and can watch televised Supreme Court of Canada trials where witnesses are not heard.

It is not worth experimenting in this case. We cannot afford to take risks, intimidate witnesses and exacerbate the Mahaffey and French families' pain. Justice must be served. The trial must run smoothly. The trial should not be televised.

* * *

[*Translation*]

REFERENDUM ON QUEBEC SOVEREIGNTY

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, Robert Young, a respected political scientist from the University of Western Ontario, has stated that Canada would engage in negotiations with Quebec soon after a "yes" in the referendum.

Contrary to some recent studies which predict chaos and certain doom after a victory for the "yes" side in the referendum, the scenario described in Mr. Young's book is based to a greater extent on a deep respect for the most rudimentary principles of democracy. The political scientist does not hesitate in the least in stating that Canada would accept the decision of Quebecers and swiftly recognize the new country.

In spite of the federalist strategy intended to strike fear into the hearts of Quebecers, experts on Canadian politics are for their part now making their views known: Canada would in its own interest respect the choice made by Quebecers.

* * *

[*English*]

CROSS–COUNTRY SKIING

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I rise today on behalf of the constituents of Okanagan—Similkameen—Merritt to draw the attention of the House to the visitors' gallery where His Worship, the Mayor of Oliver, British Columbia, Rick Wilson, is watching the proceedings today. As well, 20 members of the British Columbia cross–country ski team are in the area to compete in the Canadian junior cross–country ski championship being held at Camp Fortune.

I would like to give special mention to some of the team members. The first is Tara Moran who won a silver medal in the five–kilometre classic technique at the recent Canada Winter Games and another silver medal yesterday at the Canadian cross–country ski championship. I would also like to congratulate Gavin Murdoch and Chad Bergen who won silver medals yesterday as well.

Competitions like this one serve all Canadians. Aside from having the opportunity to hone athletic skills, the competitors foster national unity and understanding by bringing Canadians together from all parts of the country.

On behalf of all members of Parliament, I welcome the British Columbia visitors to the nation's capital and wish the cross–country ski team continued success.

* * *

PREMIER OF ONTARIO

Mr. Jerry Pickard (Essex—Kent, Lib.): Mr. Speaker, the provincial premiers whining about the federal budget is exceeded only by their inability to do simple math.

In Ontario it is a favourite pastime for Bob Rae to blame Ottawa for Ontario's economic woes. In his effort to get his pre–election posturing in an upright position, the Ontario silver spoon socialist continues to pout.

Where was Bob Rae when the federal government increased its education and health transfers to Ontario by 26 per cent between 1990 and 1994? He was shirking his responsibility by only increasing his provincial programs by 17 per cent, a full 9 per cent less than the federal government transferred to Ontario.

Bob Rae's outstanding contributions to Ontario are doubling the debt to over $90 billion, downgrading Ontario's credit rating three times and running annual deficits of over $10 billion.

* * *

NORMAN BETHUNE

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I rise today to join Bethune Memorial House in celebrating the birthday of Dr. Norman Bethune, born in my home town of Gravenhurst on March 3, 1890.

Dr. Bethune was a medical pioneer known in North America for tubercular research, in Spain for the first mobile blood service, and in China for building hospitals, training nurses and doctors, and treating the wounded.

His life was declared to be of national historical significance in this country in August 1972. His birth home was purchased and turned over to the Canadian parks service, which restored it as an interpretive memorial. The house has been open since

1976 to visitors from around the world, especially China where Dr. Bethune's humanitarian works were considered heroic.

• (1110)

On March 3, in conjunction with Frontier College, the Gravenhurst Public Library and Muskoka Literacy Council, Bethune Memorial House hosts a celebration of reading with story telling in honour of Dr. Bethune.

I wish all participants well as we celebrate Dr. Bethune's birthday.

* * *

VISION AWARENESS WEEK

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, it is important for me to bring to the attention of the House that March 6 to March 11 is Vision Awareness Week in Canada. This year's theme is "Hope is in sight: good vision and literacy, there is a clear connection".

It is a sad fact that many Canadians cannot read well simply because they cannot see well. One in six children has a vision problem that makes learning and reading difficult. If our children cannot focus on the chalkboard or on words in a book, how can we expect them to learn to read?

This problem is not unique to children. Three–quarters of adults with poor literacy skills also have problems with their vision.

The difficulty is that not all vision problems are easily detected. We know the earlier problems are detected and corrected, the faster we can get children and adults alike on the reading track and the faster they will be literate.

Awareness is the key. I ask my colleagues to join me and 2,800 optometrists in reminding Canadians—

The Acting Speaker (Mr. Kilger): Order, please.

* * *

[*Translation*]

SOCIAL PROGRAMS

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, the income security minister Jeanne Blackburn yesterday denounced in no uncertain terms the federal government's withdrawal of funding for provincial welfare, education and health programs. In spite of the $7 billion lost over three years due to federal cuts, the government of Quebec will still have to provide assistance to 240,000 children whose parents have turned to welfare as a last resort.

Like a blind executioner with an axe in hand, the federal government is hacking away at social programs without realizing the impact these cuts have on people. With a single stroke of the pen, Ottawa is forcing the Quebec government to make painful choices among social services without so much as suffering the terrible consequences of its decisions.

It is high time for Quebecers to protect themselves from such unilateral cuts. The only solution available to us is to repatriate the taxes we pay to Ottawa and then decide among ourselves how much of the joint assets we shall share.

* * *

[*English*]

CHILD CARE

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, the Minister of Human Resources Development has fumbled the ball on his plan to reform the child care system in Canada.

Various child care programs cost over $8 billion per year, yet many still live in poverty and our courts are filled with charter challenges by families fighting the discriminatory nature of government policy.

My private member's Bill C–247 provides for a straightforward tax deduction per child to any taxpaying parent, regardless of the method of child care chosen or marital status. By empowering people to take more responsibility for themselves, the bill will give them tax free money to do so.

In the social reforms paper the minister addressed day care spaces and flexible work arrangements for parents but said nothing about current taxation inequities, charter challenges or stay at home parenting. "Such a move", he said, "would have been too racy", with which I am sure the member opposite would probably agree. I fail to see what is so racy to the member for Halifax about a tax break for overburdened parents.

It is obvious that someone with a different agenda—

The Acting Speaker (Mr. Kilger): Order, please.

* * *

FRESHWATER FISHERY

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the Canadian freshwater fishery has an important role to play in the economy of the country, in particular the economies of the northern regions of the provinces.

The Standing Committee on Fisheries and Oceans has completed a much needed review of the operations of the Freshwater Fish Marketing Corporation and has made recommendations to the minister of fisheries.

Those recommendations go too far according to reports I have received from groups involved in the fishery in Saskatchewan concerned about the future of the industry and therefore the future of those regional economies.

Changes can and must be made to the freshwater fishery that will improve participation, opportunity and income for the people involved.

The minister of fisheries has received a request for a meeting with Saskatchewan fisheries groups. To ensure a complete understanding of this important issue from the perspective of those involved in the fishery and the communities dependent upon the freshwater fishery, I urge the minister to accept that invitation and meet with them as soon as possible.

* * *

INTERNATIONAL WOMEN'S WEEK

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, March 6 to March 10 is International Women's Week, a time set aside to honour the contributions of women in our society.

• (1115)

My riding of Cumberland—Colchester is replete with women who have made outstanding contributions, not only in their communities but in Canada and the world beyond.

The Colchester Historical Society in its recent edition of *Colchester Women* has recognized the contributions made by outstanding leaders like Abbie Gray, Dr. Janet Baker, Rev. Wilena Brown, and Dr. Annie Dickson. The legacy of such women is an inspiration to those who follow in their footsteps.

Studies indicate that the higher the education of the mother of the family, the more likely the success of the children. As we head into International Women's Week, I encourage women everywhere to build the future of this country by striving to attain their educational goals. The hand that rocks the cradle is truly the hand that rules the world.

ORAL QUESTION PERIOD

[*Translation*]

THE BUDGET

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, over the past decade, individuals have been called upon to assume a heavier tax load than corporations. This week's budget perpetuates this state of affairs by imposing a higher increase in taxes on the middle class than on corporations, in particular through increased excise taxes on gasoline. In 1995, individuals will pay four times more income tax than corporations.

My question is for the acting prime minister. Will the acting prime minister acknowledge that the budget calls upon individuals to assume a heavier tax burden than businesses, since 65 per cent of all of the income tax increases it contains will hit individuals?

[*English*]

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I am very surprised that the hon. member has so misinterpreted the budget. We are very proud of the fact that this budget has absolutely no increase in personal income tax rates.

We have taken several steps to increase the contribution from the corporate side to the basic revenue structure of this country. We have made changes in the large corporate income tax rate. We have made changes in taxation with the banks. For the first time, given also the increase in profits in the private sector, I think we will find there is a tremendous shift to the corporate side away from the average family.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, that was exactly what I was talking about. How can the parliamentary secretary talk about a fair budget when we know that the only additional effort being required of banks and financial institutions is a temporary tax of some $100 million staggered over two years, although the combined profits of the six biggest banks were $4.3 billion last year alone? When is the government going to impose a real minimum tax on the earnings of profitable large corporations?

[*English*]

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, this government is making every effort to make sure the banking industry and the financial institutions pay their fair share.

A number of measures that were first introduced last year have been reinforced this year. The tax structure is not temporary but permanent. These institutions will be paying their fair share. We will insist upon it.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Minister of Finance himself talked about implementing a minimum tax on the profits of corporations during the last election campaign.

Considering the finance department's commitment to closing tax loopholes and creating a fair budget, how can the parliamentary secretary justify that the 1995 budget does not touch tax havens, nor does it touch flags of convenience, which allow rich taxpayers and large corporations to avoid paying their fair share of tax, or that the budget does not tighten up family trust rules until 1999?

[*English*]

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, in rapid succession the member has been able to misinterpret about three different measures in the last budget.

First, starting with the capital base of corporations, we have a tax structure now which eliminates many of the loopholes whereby corporations managed to escape taxes on the income side. Second, we did not sign any tax treaty with any country which provides for a tax haven. It is just the opposite. We ensure

taxes are collected from Canadians and Canadian businesses doing business overseas. Third, measures involved with the family trust take place immediately. The other ones on the capital tax side take place in 1999.

• (1120)

[*Translation*]

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, after getting themselves elected on a promise to create jobs and restore hope, the Liberals have literally broken their promises in the 1995 budget and, like the Tories, they feel that the unemployment problem will only be solved by eliminating the deficit. There are no jobs in the finance minister's two small clouds.

Since we still need over 800,000 jobs in Canada to reach the pre–recession employment rate, how can the Acting Prime Minister justify the total lack of active job creation measures in the budget?

[*English*]

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, again the opposition has misinterpreted the budget. We announced measures starting last year with the infrastructure program.

We have been very aggressive in creating jobs. With the better climate we have provided in Canada over 443,000 jobs have been created. I am sure the hon. member would like to read the red book more carefully than he has in the past. On page 16 and again on page 19 we emphasized the double track our new government had to take. That is to say, we had to create jobs and reaffirm our commitment to Canadians and at the same time we had to begin the deficit reduction program.

[*Translation*]

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, given the current employment situation, how can the Acting Prime Minister justify the fact that the only program introduced to stimulate employment, the infrastructure program, has been extended until just before the next election campaign, thus cutting federal job creation funds by $200 million this year?

[*English*]

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, one of the prime reasons we have extended the infrastructure program and pushed $200 million of work into the future is the very sensitive issue of environmental assessment. I am sure there is no member in the House of Commons who would wish us to ignore environmental assessments and to push projects through without their being properly evaluated. As these projects are properly evaluated, they will come onstream as originally planned.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, in spite of all the spin doctors and all the puff pieces, there is growing evidence that the financial markets have not been fooled by the budget. This week the Canadian dollar has fallen steadily and dramatically. Interest rates have risen on all forms of Canadian government securities.

Today the *Globe and Mail* says that the finance minister calls the cuts good politics. Will the minister tell us why the government has chosen good politics when the situation requires good economics?

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, if the opposition member would care to read through both the financial press and the general public press and look at the opinion polls such as Angus Reid presented this week, he will see that the budget has been accepted widely by Canadians as well as by financial experts. In fact, only yesterday Standard and Poor's reaffirmed our AAA rating. We are very proud of the reception we are getting.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, Moody's, Standard and Poor's, and other financial firms continue to provide warnings about the financial situation of the Government of Canada. They continue to evaluate our securities.

Yesterday, Standard and Poor's lowered its outlook on our foreign currency debt from negative to stable, saying that it reflects the possibility of a downgrade should the slow pace of deficit reduction fail to ease the government's debt and interest rate burdens over the next few years. The budget does not get the job done.

Will the minister admit that the cuts in the budget are inadequate to control the growth in debt and interest payments?

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, it is just the opposite. We all remain very concerned about the debt. That is why we took the dramatic actions we did on Monday. I want to remind the member that Standard and Poor's addressed itself to the 3 per cent foreign currency debt. On the other 97 per cent it gave a AAA.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, the government knows the cuts are inadequate. Yesterday in Toronto when the Minister of Finance was asked about additional cuts to the CBC, he joked: "Is this being televised? Because if it is, it is a very different answer".

What additional cuts are being planned to deal with the failure of the budget? Cuts to the CBC, cuts to old age security, cuts to unemployment insurance, cuts to health care. Why will the government not tell Canadians about these cuts in public and on camera?

• (1125)

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, no further cuts will be introduced due to the failure of the budget because the budget is not a failure.

The Minister of Finance and the Prime Minister have indicated that as one goes about reviewing an organization as large as the Government of Canada, naturally one will continually come across better ways of doing things. We will continue to do things better.

* * *

[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, Monday afternoon, heritage deputy minister Michel Rochon communicated to CBC president Anthony Manera the Cabinet's budget decisions for the next three years, I repeat, the next three years.

Does the Minister of Canadian Heritage continue to deny that budget decisions have been made concerning the CBC's fate in the next three years? If not, does this mean that he has once again failed to honour one of his commitments, namely to provide the CBC with multi–year funding?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I think that our hon. colleague still does not understand the difference between a budget decision and the program review. It would seem this is where the confusion stems from. I have publicly explained these matters both in and outside this House.

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, how can the minister justify logically and rationally his decision to strike a committee of wise men and women to look at the CBC's mandate, after giving members of Parliament the mandate to do just that last August?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, our colleague does not seem to grasp too well what was referred to the heritage committee. Had she done me the courtesy of listening, perhaps she would understand better. This may explain why the hon. member and her colleagues never understand anything: they do not listen.

I think that our colleague has a gift for telling the future. We had not yet outlined how we intend to review not only the CBC's mandate, but also that of the National Film Board and Telefilm Canada. This means she will have to wait for the review mandate to be clearly spelled out. I can assure her that it will not be the same as the mandate given the House of Commons heritage committee.

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, it is time to clear the air on the CBC issue.

On Tuesday the Minister of Canadian Heritage stated that the president of the CBC resigned for personal reasons, but last night Mr. Manera directly contradicted the minister. He resigned not for personal reasons but because the minister has secret and specific plans for cuts to the CBC over the next three years.

Given that the budget is a three–year document and given that we have a copy of the minister's plans precipitating the president's resignation, how can the minister justify not coming clean with Canadians about his plans regarding the CBC?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I am asked to deal with two issues in the question, one on the motivation of Mr. Manera's resignation. I am not speculating about the motivation for his resignation. He can speak for himself.

As to the second matter, I think I have been clear in the House. The budget contains some indication for the next fiscal year. It is 4 per cent which amounts to $44 million. The figures for the second and third year are derived from the program review.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, it seems very odd that the president would resign if that in fact were the case.

When budgetary information is withheld from Canadians, it creates uncertainty and confusion. In this case, it has caused the resignation of the president of the CBC who accused the minister of failing to disclose the information to Canadians about future cuts to the CBC. The minister denies it. They cannot both be telling the truth.

• (1130)

Since this is the second time the minister has placed himself in a compromising position, will he clear the air and promptly submit his resignation to the Prime Minister.

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I would like to know where our colleagues in Reform are coming from. One day they say they want to destroy the CBC. They want to privatize it. They do not want to see it any more.

I stand here saying we will defend the CBC. It will be a strong institution. It will be on the information highway and we are not going to have privatization. This is what I stand for.

[*Translation*]

MONEY LAUNDERING

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the Minister of Justice.

Yesterday, we learned that the RCMP's lack of co–operation with Swiss authorities had resulted in the release of two Canadian nationals who had been charged with money laundering and detained for six months in Switzerland.

Today, for the second time in a year, the U.S. State Department indicated that Canada is one of the countries where money laundering is most prevalent and easiest to do.

Since Canada is truly a sieve when it comes to money laundering, what is the government waiting for to legislate and put an end to that illegal activity?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, with the ease of international money transfers, money laundering by the underworld is a concern for all industrialized nations.

Through the inference of the Solicitor General, Canada is collaborating with other nations around the world to form a united front against this insidious threat to our economic security and, frankly to our laws against crime.

The Solicitor General, through his collaboration with the United States of America and European nations, is working closely with authorities abroad to take effective steps to deal with money laundering in Canada.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, as was confirmed yesterday, the Canadian government is certainly not co–operating with Swiss authorities. I also urge the minister to read the U.S. State Department's report. It has plenty to say about this issue.

Does the minister realize that, because of the lack of legislation, each year $10 billion are being laundered in Canada, and does he realize that his failure to act only encourages such illegal activity?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, with respect to the incident referred to by the hon. member, the reports also indicate that action has been taken. We are collaborating with authorities abroad to make sure that effective steps are taken in that case.

In so far as legislative change is concerned, we believe that the legislation in place at present is sufficient to meet the challenge. As I have said in the past, the Solicitor General, working with other nations, is taking effective steps to make sure that happens.

* * *

EMPLOYMENT

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the minister of public service renewal acknowledged that job cut decisions based on race or sex are illegal under the charter of rights and freedoms.

Yet he indicated that government personnel managers might turn a blind eye to the charter and it is more likely that minorities will keep their jobs when the government implements public service cuts.

Will the minister acknowledge it is his duty, like every other Canadian, to respect and abide by the charter of rights and freedoms?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, it is very easy to indicate exactly what the facts are before questions are asked.

The newspaper quotes me verbatim as saying: "Mr. Massé said he had been assured workers' rights will be respected. 'The charter of rights indicate when you are doing a restructuring in industry you have to designate your surplus workers on totally objective reasons,' he said. 'You cannot use equity reasons of that type in order to designate them".

That indicates exactly what was said. It is totally in conformity with the charter of rights and with our policies.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, the minister is trying to obfuscate the problem because the charter of rights does not allow discrimination based on sex and gender and that is exactly what he has said in the article.

• (1135)

Will the minister confirm that he will give specific direction to government personnel managers to abide by the charter of rights and freedoms and tell them that employment equity plays second fiddle to the charter of rights and freedoms?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I do not give orders to directors of personnel. That is something deputy ministers in departments do.

The member opposite has to recognize that in this case we will apply the rules as we normally do.

[*Translation*]

THE BUDGET

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, my question is directed to the Acting Prime Minister.

In its budget, the government intends to spend $3.5 billion to compensate Western grain producers for eliminating the Crow subsidy which totals nearly $600 million annually. This compensation will be a direct incentive for the diversification of agricultural production in Western Canada.

Considering current budgetary constraints, how can the Liberal government justify replacing a grain transportation subsidy of $560 million with financial compensation and guarantees totalling $3.5 billion?

[*English*]

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, a number of actions were taken on the agricultural front dealing with both the WGTA and the dairy subsidy. I remind hon. members these are two different agricultural sectors. We had a question from the Reform Party yesterday from a different perspective.

We are working with each of these communities to make sure that we do things properly. The dairy subsidy is being approached in an entirely different way than the grain transportation subsidy. As we work our way through the communities we will continue making announcements to make sure these subsidies are both reduced and properly looked after.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, I may recall this is a ratio of 6 to 1. How can the Liberal government justify this inequity which deprives Eastern producers of any form of compensation, although they will be the first to suffer as a result of competition from Western farm producers who are being subsidized by the federal government to diversify their production?

[*English*]

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri–food, Lib.): Mr. Speaker, I would remind the hon. member for Frontenac that the changes made to the Western Grain Transportation Act are one time and final. As of August 1 this year the western grain transportation support will be over and done with. The dairy support—it is one of the hon. member's concerns—will still be 85 per cent in place as of August 1, 1995.

The changes we have made to the agriculture and agri–food budget have been fair and equitable. They will be effective.

I would also remind the hon. member that Quebec has not been unduly affected by the budget. If I look at the changes in the research branch, the reduction in staff in the province of Quebec at the end of all this—

The Acting Speaker (Mr. Kilger): Order.

* * *

THE BUDGET

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, the Reform Party, in criticizing the budget and management of the economy, has been speculating that Canada will not be able to sustain the economic growth rate required to meet the deficit target.

Would the Parliamentary Secretary to the Minister of Finance provide the doom and gloomers on the other side of the House with real facts and figures on Canada's economic growth?

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I welcome the opportunity the question from the hon. member for York—Simcoe gives me to tell the House that the economy is coming along quite well.

Statistics Canada said this week that the economy has improved and that we have had the fastest growth rate in five years. It was 4.5 per cent throughout the year. For the first time in 40 years we are now competitive with the United States on every measure. That is why our exports are driving the economy.

Most important—and all members of the House will appreciate this—finally consumer confidence is growing. With a 7 per cent increase in retail sales I believe every Canadian feels he or she is participating in the renewal.

* * *

• (1140)

PENSIONS

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, let us not forget what we have learned today, that the Liberals now define spending cuts as a better way of doing things.

The Liberals' two–tier pension plan through trough regular and trough light will continue to make millionaires out of defeated cabinet ministers. On Monday, the President of the Treasury Board acknowledged that members of Parliament contribute double what is normal in the private sector to their own plan. He said that in the House.

How can the Liberal government justify this double standard of asking Canadians to sacrifice while most ministers continue to stuff their mattresses?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, it is funny that members of the third party talk about

stuffing mattresses. They do not say anything about double dipping, even though a few of them understand it quite well.

The cuts we announced in the budget of 19 per cent over the next three years are very substantial cuts. In one year, we cut the MP contribution by 33 per cent. On top of that, salaries of members of Parliament have been frozen for six years. Therefore the compensation package overall for members of Parliament has been going down.

It has been going down to help meet our deficit reduction targets, to help get our fiscal house in order.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, for the information of the President of Treasury Board, we would support any legislation he introduces to eliminate double dipping.

On Monday, the Prime Minister said he cannot reform the MP pension plan retroactively because "there is a rule in democracy that we do not pass retroactive legislation".

Considering the fact that the Liberals applied retroactive legislation to the Pearson contract, public service contracts, the EH–101 contract, the Canadian taxpayers working overseas, can the minister explain why the Liberal fat pack is not subject to the same rules as those Canadians?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, it has been said many times in the House why the Pearson deal and others were changed. It was a bad deal for taxpayers.

What is a good deal and a show of leadership is when the members of the House cut their compensation packages. That is what has happened in the case of MPs' pensions.

* * *

[*Translation*]

CONTENTS OF THE BUDGET

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, a government member admitted that members of the Liberal caucus were informed of the contents of the federal budget a week before it was tabled in the House on Monday, which gave them a chance to prepare for cuts that would affect their ridings.

Would the Acting Prime Minister confirm what was said by the hon. member for Guelph—Wellington, in other words, that budget secrecy was violated by her colleagues in the Liberal caucus.

The Acting Speaker (Mr. Kilger): Order. I must ask the hon. member to rephrase his question so that it concerns more directly the area for which the minister is responsible and not what another member may or may not have said.

Mr. Lefebvre: Mr. Speaker, I would like to ask whether the Minister of Finance briefed the Liberal caucus before the budget was tabled?

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the comments of the hon. member for Guelph—Wellington were taken out of context.

She was referring to the fact that we have had the most open budget making process in Canadian history. The Minister of Finance should be congratulated for consulting widely, not just with his parliamentary colleagues but with industry and all Canadians.

She was referring to the fact it was well known because my colleague, the President of the Treasury Board and the Minister of Intergovernmental Affairs had talked about the downsizing of the public service. It was in the public domain. It was not a leak of the budget.

I should tell members that all of us in the ministry were only informed of the budget's contents shortly before the minister presented it to the House.

[*Translation*]

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, I would like to ask the minister why only Liberal members had this opportunity?

• (1145)

[*English*]

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I do not think the hon. member listened to the answer.

I have been around for budgets before in other governments. The fact is that the Minister of Finance followed the true parliamentary tradition in terms of developing the budget in secrecy but did consult widely with all Canadians.

In no way did the comments of the hon. member on this side of the House conflict with what the Minister of Finance brought forward last week.

* * *

NATIONAL DEFENCE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, yesterday the Minister of National Defence announced an eventual 20 per cent cut to his general staff by 1998. This is too little too late. Canada will still have a ratio of generals to troops double that of Germany or the United States.

Can the minister justify the fact that even his target reductions leave his ratios out of whack?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I am very

glad that the Reform Party is supporting what we are doing in terms of streamlining the Canadian Armed Forces from top to bottom. I welcome that.

The previous government did announce a reduction at the general officer level by 20 per cent in 1991 and that has now gone through the system. We announced, consequential to the white paper and from the budget, that there would be a further reduction of 25 per cent at the general officer level and 20 per cent of the colonels.

Contrary to what the hon. member said, this does bring us more into line with our NATO allies with respect to the officer to general ranks ratio.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, let us take a look at that.

Currently we have 12 generals per 10,000 troops in the Canadian Armed Forces. The United States and Germany have 5 generals per 10,000 troops in their forces. With the government's reductions that ratio will change to 11 generals per 10,000 troops.

Does the minister really expect the Canadian people to believe this is a cut at the top?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member mentioned two countries in which their armed forces are structured somewhat differently with respect to the way the general officers are apportioned in their tasks. However, he did not mention other countries in the NATO alliance in comparison with which we have a better ratio.

* * *

URANIUM

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, uranium production employs hundreds of Canadians in Saskatchewan and other parts of Canada. Exports to the United States last year amounted to $500 million.

The industry has been concerned that recent U.S. arrangements with Russia might threaten to destabilize the U.S. uranium market by providing for U.S. imports of large quantities of low cost Russian uranium.

Would the Parliament Secretary to the Minister of International Trade advise the House what steps his minister is taking to protect the Canadian uranium exports to the United States.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, we have taken vigorous action on this issue. Back in March 1994 we initiated consultations with the United States on this issue. Our motives are to ensure that the export of Russian uranium to the United States does not unfairly discriminate against uranium exports to the United States. We were given assurances by the Americans that would not be the case.

Throughout it all we have worked closely with the industry in Canada. We are pleased to report that the outcome was a very positive one. We will continue to monitor the situation very closely. It is our hope that it will be an open and fair market for all concerned.

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OLD AGE SECURITY

Hon. Jean J. Charest (Sherbrooke, P.C.): Mr. Speaker, I want to return to an issue that I and my colleague raised earlier this week in the House of Commons. It has to do with old age security benefits.

The Deputy Prime Minister answered unequivocally that old age security benefits would not affect women who are 65 and older even though the budget plan, a government document, states unequivocally that the basic principles for reforming OAS shall be the provision of OAS benefits on the basis of family income.

• (1150)

How does the government square that response with the stated principle in this document? If that is the answer, what then does the document mean?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I think the hon. member raises an important question. It is for this reason, as he well knows, that the federal government will be meeting with provincial counterparts in the fall to discuss the issue of pensions.

It is interesting the hon. member would mention the principles but would not speak to the fact that some of the principles include undiminished protection for the less well off seniors, greater progressivity of benefits by income level and control of program costs.

Pensions are a very important part of this government's generous and compassionate approach toward social security.

Hon. Jean J. Charest (Sherbrooke, P.C.): Mr Speaker, I am glad my hon. colleague referred to a meeting the government will have with the provinces. I assume this is not improvised and that the government will have prepared.

Are the hon. member and the government ready to table here in the House of Commons studies and documents that the Government of Canada will have prepared with projections on what the application of this principle of applying OAS benefits to family income would have?

I want a clear answer. Will the government, yes or no, table all the documents it has prepared for this meeting?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I am quite surprised that the member, being a former

cabinet minister, would not know that we are duty bound to meet with the provinces every five years to review the friendship plan.

We are not only going to consult with provinces, we are going to go further, as we always have since we have formed the government, to consult with Canadians about this very important issue.

It is important that the pension plan of this country be sustainable. That is something that we are going to make sure happens.

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[*Translation*]

HIBERNIA PROJECT

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, my question is for the acting prime minister.

In spite of the government's wonderful speeches, the budget has not put government spending in order. Within the natural resources department alone, the Hibernia project will swallow up $172 million this year, not to say $66 million more in interest free loans.

Why has the natural resources minister not taken the opportunity with this budget to dump the Hibernia project immediately, this money pit which will never be profitable and will only ever eat up hundreds of millions of dollars that could be better spent elsewhere?

[*English*]

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, the member well knows we are an 8.5 per cent participant in the Hibernia project. It is a project that has been studied with clear indication that it will be a viable project when it is done. It will contribute to our energy security when it is finished.

[*Translation*]

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, does the parliamentary secretary realize that the private sector's complete lack of interest in Hibernia confirms that this money pit will never be profitable? Do you admit that your government will have a lot of trouble handing it over to the private sector?

[*English*]

Mr. George S. Rideout (Parliamentary Secretary to Minister of Natural Resources, Lib.): Mr. Speaker, maybe we can do the math for the member opposite. We are seeing private sector involvement to 92 per cent. That seems to be a very strong commitment by the private sector to this project.

IMMIGRATION

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, here is another one of those isolated incidents for the minister of immigration. It is just one of three isolated incidents that are currently underway in my riding.

After a five–year crime spree, including an armed home invasion and drug trafficking, a Mr. Vu Van Li had his deportation order overruled by the famous Mr. Lam of the Immigration and Refugee Board who said that Mr. Li just needed to take anger management courses.

• (1155)

Will the minister not admit that irresponsible IRB decisions like this are putting the safety of law–abiding Canadians at risk?

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the hon. member should have showed along with his party support for Bill C–44 which deals with the problems of criminality in immigration.

As the hon. member well knows, we cannot comment on individual cases. I know that the hon. member with his interest and his party will also support the reforms announced yesterday by the minister of immigration to the Immigration and Refugee Board to make it a better and more viable institution in this country, and we know we would have this party's support for this kind of policy.

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, the changes announced yesterday by the minister look more like a fast track way to let more criminals into the country than to address the way of controlling entry.

Mr. Li was involved in an armed home invasion in 1989, assault with a weapon in 1990, and drug trafficking in 1994. Day after day we bring up isolated incidents like this for the minister.

When is the minister going to agree that rearranging the deck chairs on the *Titanic* of the IRB is not going to solve the problem and when will he scrap the IRB as Reform has suggested?

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, again, yesterday saw major reforms in policy announced by the minister to the Immigration and Refugee Board.

Today the chair of the Immigration and Refugee Board will be announcing further changes within the administration of that board. While there have been problems in this board, this is a good board and it serves Canadians well.

If the Reform Party and the hon. member for North Vancouver are so concerned about criminality it might have behoved them to support Bill C–44 when it was in the House.

INDIA

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, my question is for the Minister of Foreign Affairs.

Recently several Canadian citizens have been arrested or harassed while travelling in India.

There is evidence that the Indian authorities are detaining individuals without charge. Coincidentally this harassment and unfounded police interrogation are directed particularly at Canadians of Sikh origin.

Will the minister on behalf of the Government of Canada send a strong message to the Indian government to put an end to this practice and human rights violations with minorities in India?

Hon. Christine Stewart (Secretary of State (Latin America and Africa), Lib.): Mr. Speaker, the Canadian government is very concerned about the detention of some Sikh Canadians who have been travelling to India.

To be more specific, recently there was a case in which a Canadian was held for about a week and others recently for shorter periods of time.

Our high commissioner in New Delhi has followed up on every case of detention that he has been aware of and through him and other officials here in Ottawa we have relayed to the government in India our concern about this issue and hope that it will be dealt with.

* * *

LABOUR

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, my question is for the Minister of Labour.

A strike is now looming between CP Rail and two unions. Negotiations could break down by Monday and CP has said that in that event it would use replacement workers.

What is the minister doing to ensure that negotiations do not break down, thereby avoiding a potentially bitter labour–management dispute?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, following the release of the Hope report the parties were urged to resume negotiations and settle their differences through collective bargaining.

I am pleased to report that bargaining has resumed at all three railways with intensive talks being held at CP Rail in an effort to conclude an early settlement.

[*Translation*]

THE BUDGET

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, we learned from the budget that allocations to Canada Mortgage and Housing will be cut by almost $215 million in 1995–96. More than half this amount, over $105 million, was earmarked for public housing.

My question is for the acting prime minister. Would he not agree that, by cutting public housing subsidies this way, the government is directly attacking the basic needs of the most vulnerable families in our society, contrary to the promises made in the red book?

• (1200)

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am pleased to confirm, in this regard, that the federal government will continue to support and subsidize public housing, at a cost of $2 billion a year. This is for some 660,000 public housing units occupied by over a million families including many natives living on and off reservations.

However, deficit reduction requirements dictated cuts in this sector as in all other sectors, departments and services. The Minister of Finance acted responsibly, and Canada Mortgage and Housing Corporation had to accept these cuts.

* * *

[*English*]

LOW LEVEL FLIGHTS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I have a brief question for the Minister of Indian Affairs and Northern Development.

The federal environmental review panel has recommended that the Department of National Defence be allowed to double the number of low level training flights over Labrador and Quebec. However it has imposed a number of conditions, including the early settlement of land claims, the establishment of an institute to study and monitor the effects of the flights and the establishment of a joint management board for the George River caribou herd.

The minister is aware that the panel refused to listen to issues raised by aboriginal people relating to their land. Is he prepared to recommend rejection of the report? What steps is he willing to take to ensure that the conditions are met as established by the panel?

Hon. David Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the report of

the environmental panel was given to the Minister of the Environment and me a few days ago. We decided to make it public at the earliest opportunity.

As to the future of low level flying on the east coast out of Goose Bay, that will be decided by cabinet in due course.

* * *

PRIVILEGE

BUDGET SECRECY

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, you will remember that yesterday, as recorded in *Hansard*, I raised a question of privilege. I informed the House that I would raise this matter today after question period. Furthermore, I advised the whips of the other parties in the House, including the member for Guelph—Wellington, of my intention to raise this question of privilege because it is a question that relates to comments she made.

I rise today on a question of privilege. My query comes after reading a column that interestingly enough is entitled "Question Period". Question period is published in each weekly edition of a newspaper very well known here on the Hill, called the *Hill Times*. Members of this place will be familiar with a specific column, a vox populi, very similar to other vox populi we see in other media, where four individuals are asked a question, often of members of Parliament, often of individuals who work on the Hill, and they offer a response.

This week's question was: "Is there too much secrecy surrounding the budget?" The Bloc member for La Prairie, for example, answered:

> The government has to maintain secrecy around the budget, not to favour certain investors. But there should be more transparency about the budget, to give a better idea of it without giving precise measures and details.

That is what the member for La Prairie is reported to have said.

Two other respondents, the members for Ottawa Centre and Provencher, also echoed their hon. colleague's understanding of secrecy. However, and this is the point of fact, the member for Guelph—Wellington gave a very troubling answer. In response to the clear and concise question: "Is there too much secrecy surrounding the budget" she is quoted as saying:

> I don't think so. There were some MPs who were told beforehand if major cuts were coming to programs in their ridings. They asked for that in caucus so they could prepare to ask questions.

I will just repeat the words because they are serious: "some MPs were told beforehand". Needless to say, I find this statement very troubling. I want to explain why I find it troubling but I also want to explain why I feel this to be a prima facie violation of my rights and privileges as a member of Parliament.

I want to quote another parliamentarian on this same issue who outlined the importance of the budget being confidential until budget night. By the way there is some real irony in this quote. This is a quote that I draw from the *Debates* at page 2283 of *Hansard* of December 12, 1979. It reads:

> The confidentiality in which the details of a budget are kept secret is a constitutional practice which forms an integral part of a parliamentary system. Such practice is based on the principle that no individual, whoever he may be, must know in advance the details of a budget which he could use for personal gain.

• (1205)

That quote is from the right hon. Prime Minister, speaking in the House of Commons in 1979. I am sure the Prime Minister intended to include the Liberal caucus in his designation when he said "whoever".

To facilitate your work, Mr. Speaker, I also reviewed the past occasions when the House had to deal with budget leaks. Not to undermine the seriousness of any budget leak allegations, I am sure you will also agree that with the incidents of the past came also odd and unusual circumstances.

You will remember a photographer having snapped a picture of the Minister of Finance at the time, Mr. Lalonde, reviewing budget documents, and that incident being the object of debate in the House and another question of privilege. I also remember, Mr. Speaker, and I know that you were in the House at the time, a colleague of mine who had one of his documents fall into the hands of the media before the formal announcement of the budget.

In the past, when dealing with such rather isolated incidents, your predecessors ruled: "There was some doubt whether the convention of budget secrecy falls within the area of privilege". In fact, that is a quote which can be found in *Jurisprudence parlementaire de Beauchesne*, with which I am sure other members are familiar.

I quickly realized, and I am sure you will too, Mr. Speaker, that the very nature of this revelation makes this case a precedent which stands by itself. Never have we had, as far as I know in any research that we have done, any situation where a specific member of Parliament has boldly admitted to having obtained privileged information relating to the budget before it was formally announced. Nor are there any precedents where a whole caucus of this place, according to the statement made by the hon. member for Guelph—Wellington, was actually informed in advance of the contents of the budget. I have not found any precedents in that regard.

Mr. Speaker, we have nowhere to turn but to you. We are not in the presence of a leak of a titbit of information to a controlled number of people for what has never been more than a very short period of time, like the situations we have faced in the past. Neither have we ever been in the presence of what I reasonably fear to be a concerted effort on the part of someone to give a

great deal of information to the largest body of members in the House, namely the Liberal caucus, at a day and time we can only yet still ignore.

I will not get into all the questions that this situation brings up, and you will know that there are many dimensions to this question. They are all very grave. Most of the time they have called for the resignation of the Minister of Finance.

I want to raise a very specific issue in regard to this principle. I am putting this question of privilege because I believe that the matter I am talking about poses a grave hindrance to my ability to accomplish my duties as a member of Parliament for the riding of Sherbrooke.

It is greatly troubling to me, should such actions be found to be true, that the people of my riding and all Canadians would find disrepute and maybe even contempt for this place. In such circumstances I fail to see how any of us would be able to accomplish our work properly. That is surely a question of privilege for myself and for every person here.

Even more sad is what this could mean for free speech. I respectfully ask that you consider in your ruling whether debate in this House can be truly free, frank and sincere if members are led to believe that the contents of the budget that are supposed to be secret for all, without exception, when in the end the truth is revealed to us that the members of the governing party were privy to a special complicity with the Minister of Finance.

• (1210)

The budget is at the heart of why we sit in Parliament. It is at the very heart of what this parliamentary institution is all about. We are here to vote on behalf of our constituents the moneys that allow us to live in a democracy and not pursuant to the whims of an all powerful despot.

That is why the first Commons took away powers from the monarch and that is why this member is claiming back those privileges today. I respectfully ask that you consider this matter, Mr. Speaker, with great attention, urgency and severity.

In conclusion, what we are facing today as a question of privilege is a situation where certain members of the House of Commons, namely the Liberal caucus, according to a public admission by the member for Guelph—Wellington, received privileged, secret information before budget day to the detriment of the members who sit on the opposite side of the House.

Based on that fact, Mr. Speaker, I ask you to rule on this question of privilege.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, there are two issues before the House. First, is this a legitimate question of privilege? Second, was there a breach of the secrecy of the budget?

I will deal with these two issues in reverse order. We should all be reminded that the member who has just raised this question of privilege knows about cabinet secrecy. I would have hoped that in his remarks he could have borne that in mind a little more than he did. I am sorry that he failed in that regard.

I wish to bring to members' attention the question of the secrecy of the budget. There was no breach in the secrecy of the budget. On reading the article yesterday in the newspaper, I telephoned the hon. member for Guelph—Wellington and spoke to her about her comments in the *Hill Times*.

I asked her to put her response in writing and to send it to me so that I could share it very briefly with the House today. In the memorandum she sent to me, which I am perfectly willing to table with the Clerk later with the consent of the House if such were forthcoming, is the following:

> To: Don Boudria, Chief Government Whip
> From Brenda Chamberlain, M.P.
> Re: Our Conversation
>
> In reference to your question, I was referring specifically to the caucus briefing which was held approximately one hour prior to the tabling by the President of the Treasury Board of measures to deal with downsizing in the federal public service.

That downsizing document was tabled on February 21. It has nothing to do with the budget document. There may well have been issues tabled by the President of the Treasury Board that were later reflected in budget decisions.

That may be so but it was not information that was given to Liberal members of Parliament and denied to anyone else. As a matter of fact, the tabling occurred at ten o'clock that morning. That is easily verifiable and I am sure all hon. members, including the member in question, were here that morning.

The hon. member remembers well that the document was tabled. I read from the letter in question:

> This announcement took place one week before the budget and dealt with downsizing in the federal public service, which was part of the federal budget. If you have any further questions please do not hesitate to contact me.

I will certainly table the letter if it is the wish of the House.

The second issue is the following. Is it in fact a question of privilege? I wish to bring to members' attention *Beauchesne's* sixth edition, page 13, citation 31(5) which says:

> Budget secrecy is a political convention, and if breached,

It was not as we have just identified:

> —the Minister may be attacked through a substantive motion, but not through a question of privilege.

• (1215)

That was ruled that way on April 19, 1983.

In addition, Mr. Speaker, I wish to bring to your attention the following decision made on November 18, 1981 by the then Speaker, the late Madam Sauvé: "Certainly the matter of budget secrecy is not dealt with through questions of privilege and there are very important precedents which I will recall to hon. members". She then cited a whole number of cases where it has been ruled not to be an issue of privilege.

In summary, there has not been a case of breach of budget secrecy and there is not a question of privilege now before the House.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I would have preferred to speak before one of the government members replied, who would then have been able to respond to my comments as well.

Like the hon. member for Sherbrooke, I wanted to quote what was said by the Prime Minister when he was in the opposition, on a similar question concerning a budget leak. I will not repeat the same quote, but I would like to quote what was said by the hon. member for Saint–Maurice in *Hansard* of July 24, 1975: "The tradition of secrecy ensures that all Canadians will be kept at the same advantage or disadvantage with respect to any budgetary matter and that any announcement will be made first in this House and not privately to those who rightfully have no access and should have no access to that information".

When, as the hon. member for Sherbrooke pointed out, we look at what was said by the hon. member for Guelph—Wellington, the members of the Liberal caucus must have known how the budget would affect their respective ridings before it was brought down.

I do not think a member of Parliament should have advance knowledge, before Parliament and members of this House, of the consequences of budget cuts for his or her own riding. This raises a number of questions for me, as a parliamentarian, and my constituents will have a few as well.

If it is true that the Liberal caucus had advance knowledge of this budget, there must be Liberals who obtained some personal or political gain from that knowledge. They were able to prepare answers for their constituents before anyone else, and that is a personal gain.

Furthermore, what assurances does Parliament have that the minister did not, following his presentation of the budget to the Liberal caucus, change parts of his budget in response to undue pressure from members of his party? How can we be sure? We cannot.

I do not, and the official opposition does not think the hon. member's response to the comments by the hon. member for Shefford was satisfactory. Mr. Speaker, correct me if I am wrong, but in the past, when there were leaks or alleged leaks, the matter was usually referred to a committee of the House for clarification.

Considering that the hon. member's reply fails to satisfy members on this side of the House, I would like the Chair to take the matter under advisement and refer it to a committee, for thorough clarification of an issue that goes to the very core of the Canadian parliamentary system. It is the government, through such practices, that is making trouble in this Parliament.

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I thank the hon. member for Sherbrooke for bringing this matter to the attention of the House. It certainly is a very serious concern in light of citation 31 of *Beauchesne's*:

> Budget secrecy is a political convention and if breached, the minister may be attacked through a substantive motion, but not through a question of privilege.

Certainly this is a very serious matter.

• (1220)

Representing the Reform Party in this House we ask questions of a general nature regarding rumours around the budget and we are told that the specifics or even generalities could not be dealt with in this House until the budget was tabled.

It comes as some shock to me to find out that one caucus in this House was made privy to the details of the budget. According to this article in the paper, the question is whether there is too much secrecy surrounding the budget, not the documents that the hon. government whip was talking about. This is a very serious matter.

Never at any time was our caucus approached by the departmental officials of finance or the minister on whether we would want a briefing on details that would affect even our individual ridings.

Were I as a member of Parliament to have known that there would be a Crow buyout in the budget prior to its tabling, I could have communicated to people back in my riding of this matter. It affects the value of land. It affects the transactions between farmers who may have been actually selling their land at that time. It is a very serious matter with millions of dollars at stake.

I am rather shocked and I want to assure this House that my caucus was not made privy to any of the details of the budget in any manner, particularly as it related to situations of cuts that would affect our riding.

I add my concern and ask the Chair to deal in a very severe way with this important matter.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I will deal very directly with the allegation made by the hon. member for Kindersley—Lloydminster, supported by the hon. member for Sherbrooke. There was absolutely no question of a budget leak in this case.

There is no evidence that has been adduced by the hon. member to support that, absolutely no evidence.

Mr. Charest: Read the *Hill Times*.

Mr. Milliken: I have read the *Hill Times* and I know the hon. member read the *Hill Times*. The answer that was given has been fully explained in a reply, given in writing, by the hon. member for Guelph—Wellington which was read by the chief government whip a few moments ago.

The Acting Speaker (Mr. Kilger): I have listened attentively, as all members have on this issue. A question of privilege is an important matter and a serious matter for all parliamentarians. I would ask that we keep the discussion in the parliamentary fashion that we have thus far, that we might conclude this matter.

Mr. Milliken: Mr. Speaker, certain hon. members of the opposition were invited to a briefing on the budget well in advance, a briefing that was not provided to government members. I had no idea what was in the budget until I walked into the House and heard the budget being delivered.

That was not the case with certain members of the opposition who were invited to a briefing. That is standard practice and there is no suggestion in the answer that was given by the hon. member for Guelph—Wellington as explained in the memorandum that she has tabled here that there was anything but that procedure followed. She has explained that the procedure she was talking about when she answered the question dealt with events long before budget day.

I refer once again to citation 31 of Beauchesne's which has already been quoted. I need not read it again. I want to remind the Chair that when we had a case of a budget leak with the hon. Michael Wilson during the last Parliament, a major leak in which the whole document got out, there was a question of privilege raised and debated for an entire day in this House on that very issue.

There was never anything referred to a committee. The Chair never made a finding that there had been a breach of the privileges of the members of this House, even though there had been a complete leak of the budget. I think the hon. member for Sherbrooke was in the cabinet at that time.

What I am saying is that there is no evidence of any leak here today in respect of the budget. If there were, according to the citation of Beauchesne's and in accordance with the practice followed in respect of Mr. Wilson's major leak, the whole thing went out. In light of the precedent established then, I submit there is nothing that the House should do to take note of this unless the hon. member for Sherbrooke wishes to set down a motion condemning not the member for Guelph—Wellington but the Minister of Finance for allowing any information to get into her hands.

In the face of the denial, I suggest such a motion is not supported by any evidence and it would be a waste of the time of this House, as is the question raised by the hon. member.

• (1225)

The Acting Speaker (Mr. Kilger): The Chair will recognize the hon. member for Sherbrooke for a final comment, but I wish to apprise the House that I would hold that comment to a minimum amount of time. The Chair does not want to restart the whole debate. I have listened attentively. It is an important, serious matter. It will be dealt with as its seriousness requires.

Mr. Charest: Mr. Speaker, thank you for your patience. I do not want to rehash past events. For the benefit of all members of the House, let us focus on what is really at issue here. I feel compelled to stress this because there is a very important distinction in the situation we are facing today relative to precedent.

The precedents referred to are on the notion of confidentiality, budget secrecy as applied at large. We are facing a new situation today in which certain members of the House of Commons were informed beforehand according to this bold admission.

Mr. Speaker, that is the evidence you have. May I point out according to precedent that is the prima facie evidence you have before you today. That is the reason I think you will find here a question of privilege.

The parliamentary secretary has hoisted himself on his own petard when he rises in this place to say there is no evidence and then goes on to explain the rebuttal of the evidence that happens to be in front of this House. To make that statement is so gross as to deny that this statement actually exists in a document that was distributed to the public at large.

This is the last point I want to make. Let me read the quotation because it goes directly to the heart of this matter. The member for Guelph—Wellington said: "I do not think so. There were some MPs who were told beforehand if major cuts were coming to programs in their ridings".

The last phrase goes to motive: "They asked for that in caucus so they could prepare to answer questions".

My colleague from the Bloc Quebecois—

The Acting Speaker (Mr. Kilger): Order. I think the Chair has heard all the arguments from the members who participated.

[*Translation*]

As I said earlier, I realize that a question of privilege is a serious matter for all parliamentarians. As is customary, the Chair will certainly prefer to wait until the hon. member for Guelph—Wellington is present to hear what she has to say.

[*English*]

The Chair will certainly want to give an opportunity to the member for Guelph—Wellington to express her point of view more before making a definitive ruling.

I want to thank the well experienced hon. member for Sherbrooke for raising this question of privilege and the chief government whip, the member for Berthier—Montcalm, the member for Kindersley—Lloydminster and the member for Kingston and the Islands for their participation.

The matter raised by the hon. member for Sherbrooke, if founded, is more an issue of contempt that a question of privilege. That being said, the Chair will take the matter under advisement, review the hon. member's comments as well as all related parliamentary practice and precedents, and report back to the House as soon as possible.

Mr. Charest: I rise on a point of order, Mr. Speaker. The hon. government whip kindly offered to table a document that the member for Guelph—Wellington apparently sent to him. I suggest to the House that there be unanimous consent so that document could be now tabled.

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

Some hon. members: Agreed.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

• (1230)

INTERNATIONAL WOMEN'S DAY

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, next week, on March 8, women and men around the world will celebrate International Women's Day.

This day was designated in honour of these early campaigns to improve working conditions for women. This day has become a global celebration of women's accomplishments and advancements. But it was born when women were struggling to achieve the very basics of equal rights.

[*English*]

In the ensuing years women have made many important gains, overcoming many obstacles to achieve through merit their rightful place in the workforce. They have overcome professional barriers in virtually every field of human endeavour. They have overcome many stereotypes and have excelled in fields where doors were closed before such as medicine, law, politics, cultural industries, military, business and so on.

Women have demonstrated conclusively that no task is beyond them, given fair and equitable access. Women have also achieved success in the business world. A recent study conducted by the Canadian Federation of Independent Business found that almost 40 per cent of small businesses are operated by women, up from 30 per cent in 1981.

Women have steadily progressed in closing the wage gap. The average Canadian woman now makes 72 cents of what a man earns. More important, for university graduates the gap is gone. Young women and young men starting out in their careers with the same university education earn the same salary.

Although women have made inroads into almost every profession they still face multiple challenges. Sexual harassment in the workplace continues to undermine and marginalize the position of women. Many still face obstacles to advancement: either the famous glass ceiling that stops women's progress at middle management levels or the corporate philosophy that is overly hostile to family considerations.

[*Translation*]

The recent Statistics Canada study on the wage gap was quite revealing on this point. While young women start off on an equal footing, wage–wise, when they graduate from university, they steadily lose ground as they get married and have children.

Even most of the independent and ambitious women who go boldly into the business world hit the wall of sexual discrimination. And a study by the Canadian Federation of Independent Business revealed that 42 per cent of women entrepreneurs experience difficulty getting financing. This despite the fact that women entrepreneurs are generally more successful than men.

We must address these issues. After all, women work for the same reasons men do—they want and they have to. Women's contributions to our economy, and to our society, are indisputable and indispensable.

[*English*]

It is estimated that if all employed women were to leave the workforce, the number of low income families in Canada would

more than double. Given their key role, I think it is time society recognized their worth. We must pursue a fair distribution of unpaid work in the home where women still carry a disproportionate burden of work.

We must persuade industries to develop family friendly workplaces to help root out sexual harassment and discriminatory practices. We must urge banks in particular and the financial community in general to recognize the achievements of women entrepreneurs and give them the fair and equitable consideration and support they deserve.

• (1235)

Women do not want a free ride. They want their fair share. I think that has become fairly obvious. Governments must continue to have a role in the drive for women's equality, even in the face of restrictive fiscal constraints.

Violence against women, sexual harassment, inequalities and inequities in employment opportunities, the wage imbalance and gender discrimination must all be addressed. I am pleased the government is continuing to push forward on all these fronts.

I congratulate my colleague, the Minister of Justice, for such initiatives as the sentencing reform bill, the firearms control legislation and his quick action to address the defence of extreme drunkenness.

I congratulate my colleague, the Minister of Finance, for his budget commitment to remove barriers to the success of small businesses and to provide practical assistance to them to survive and grow. It is essential that small businesses have access to the financing they need to continue being Canada's number one creator of jobs.

To this end the budget announced that the government would be working with the banks to develop meaningful performance benchmarks for small business financing, benchmarks that will be used to monitor future progress which will include women.

We must also continue to support women in their family responsibilities. The new Canada social transfer announced in the budget offers the potential for a more flexible framework for child care funding. We need improvements in the accessibility of child care and in the quantity and quality of child care, public and private, in all regions of the land and based on choice in those areas.

As my colleague, the Minister of Human Resources Development, begins his work with the provinces to develop shared principles for the transfer, I know he plans to focus on the needs of women and their families in general and on their requirements for child care in particular.

[*Translation*]

I will also continue to work with my colleagues to ensure that government policies and programs are examined through a gender equality lens, so that their impact on women is considered at every stage of the policy development process.

A particular focus must be on the needs of women from different ethnocultural communities, aboriginal women, women with disabilities, and those living in rural or remote areas. We must continue to help them achieve their independence. These are all challenges that we must confront if we are going to achieve our ultimate goal of fairness and equality. This September fourth's United Nations World Conference on Women will be a unique forum for advancing women's equality. It will produce a global Platform for Action to accelerate progress towards equality.

[*English*]

I look forward to working with the men and women of the world at this conference as we lay the groundwork for eliminating the barriers facing women around the globe. More important, to all my colleagues I say I look forward to coming home from the world conference, getting to work and collaborating with all our stakeholders at the regional, provincial, federal, private and public levels to implement the platform of action for Canada. Our society, and that includes all Canadian men and women, has a responsibility to begin laying the further groundwork for equality right now.

The ongoing push for equality may be entering its most difficult phase. It will require that women stand up for themselves and boldly take the position that is rightfully theirs. It cannot be done by government alone. It cannot be done by one voice, by the voice of opposition on either side of the House.

It will require them to be forceful and advance their views. It will require men to play their role as full partners in this adventure in growth and development. At the very least I would suggest that men acknowledge the current of history. They must recognize that from now on society will be that of equal partners because we have earned that right from the very start.

• (1240)

While some men may still resist this idea, I say to them that equality of the sexes is not only attainable but is desirable from all points of view and for all concerned. Is this not what we all want both for our sons and our daughters?

We need to leave behind the battle of the sexes where women's gains are interpreted as men's losses. We have to accept that when women finally achieve equality everyone will be better off. We will all stand to gain.

I close in reminding everyone that it is purely mathematical because when women who make up 52 per cent of our population are able to make a full contribution to society, 100 per cent of the population will benefit.

On this International Women's Day I want to send a message of hope to all Canadians, women and men. I say to them that by working together we can reach our full potential, every one of us; by working together we can shape our joint future.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, on March 8, women from Quebec, Canada and the world over will celebrate International Women's Day. Some of us will spend the day with our loved ones, our families, our colleagues from work or with the women's groups and organizations that we are involved in.

Others will watch from the sidelines, wondering when governments are going to stand up and take action to improve the living conditions of women.

The federal government would have us believe that it is attentive to women's needs. However, its daily actions speak louder than its words, speeches and policy statements. Let us call to mind just some of the Liberal government's acts.

The Liberals' first budget, February 1994, announced unprecedented cuts to the unemployment insurance system. With one stroke of the pen, they took more than $5.5 billion out of the pockets of the unemployed over three years.

The Liberals decided to take their unemployment insurance cuts in a totally new direction and to hit workers with unstable jobs, who cannot do without unemployment insurance. This hurt women most of all. Women have the dubious honour of holding the majority of unstable jobs.

They reduced the benefit rate and access to them. They dramatically shortened the length of time that benefits can be claimed. They took drastic measures, asking the unemployment insurance fund to foot a disproportionate chunk of the deficit fighting measures.

In his proposed social program reform, the Minister of Human Resources Development went as far as suggesting that eligibility for benefits be subject to a family income test. Since we know that women earn about 72 per cent of what men earn, we know very well who will be penalized by such a measure.

We know that women earn less than their partners and that they often hold unstable jobs. Often, they are the ones who lose their jobs and go on UI. They are maintained in this dependent condition. What a move towards equality.

Women immediately saw what the minister was driving at: women whose spouse's income is above a certain limit are disqualified in spite of the fact that they have been contributing to the UI fund. Attacking financial independence dearly won over the years, the government now wants to turn women into second–class citizens having to depend on their spouses for their every need.

That is why so many women came forward when the Standing Committee on Human Resources Development held its hearings on the social reform package.

They unanimously denounced the minister's proposal, forcing the committee to recommend that he not pursue this issue. We will see in the fall if the minister will choose to ignore the committee's recommendation and implement his proposal anyway. In that case, he can expect fierce opposition on the part of women and the Bloc Quebecois.

Monday's budget also speaks volumes about what this government has in store for women.

• (1245)

The Liberals strike again. Monday's budget contains further cuts, cuts totalling at least $700 million in UI funding and $7 billion in transfer payments to the provinces for welfare, health and education. In reality, what will be hacked is cash transfers to the provinces, with a 40 per cent cut in direct federal contributions to health, education and welfare.

What will these blind cuts translate into in actual fact? Either cuts in health and education services or cuts in welfare, which will mean yet more women losing theirs jobs. Pension reform was also announced. Again, the government is contemplating tying old age pension benefit entitlement to family income. This government is certainly bent on subjugating women to their spouses. Poverty is obviously a sin for which this government wants to make women pay dearly.

The number of public service positions was cut back. Again, women at the lower echelons will be penalized. Also, what is the use of reviewing the Employment Equity Act if it will not be enforced? Coloured, disabled and native women are highly likely to lose their jobs, as they are at a disadvantage to begin with and at the lower echelons. The 160,000 Canadian women on UI and 230,000 Canadian women on welfare were not smiling on Monday night, they were afraid. The 100,000 single parents who rely on social assistance shivered when they realized that they might be deprived of what little they have left.

What about the election promise made by the Liberal Party regarding the creation of 150,000 new day–care spaces? The 1994 budget provided that $120 million would be invested as early as this year. Today, all we know about that promise is that the Minister of Human Resources Development is discussing with the provinces. If these discussions are anything like the ones the minister is having regarding the social program reform, the Holy Spirit will have to step in to ensure that this promise is fulfilled.

Another measure directly affecting women is the increase in the fees for adult immigrants who apply for permanent residence in Canada. This is more or less tantamount to an immigration tax of $975 for immigrants, a number of whom are women, in

addition to the basic amount of $500 which they must pay just to have their application looked at.

This government wants to mark International Women's Day. Great! However, the government is hiding the plight of many women and the fact that it is not giving them any chance to improve their lot. Women must always fight to be treated with fairness and ensure that the organizations which represent them get meagre financial support. By the way, these organizations face new financial constraints, with government cuts of close to $1.5 million directly affecting them. How will they survive? The government could not care less.

I should point out here the courage and the determination displayed by women's organizations in their daily struggle. We have to constantly urge this government to act rather than to make nice speeches, or at least to act according to its rhetoric. This government proclaims to be an international leader in the promotion of equality for women, but it should first ensure that Canadian women are not victims of backward measures because of its own decisions. This government seems to deny women's reality and we wonder about its strategy to ensure that women have better working conditions and can make gains in the workplace?

Some positive measures are needed, including job–creation programs designed for all Canadians, not just 48 per cent of them, such as the totally inadequate infrastructure program.

[*English*]

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, it is my pleasure to speak on International Women's Day. As the secretary of state mentioned in her remarks, this day was designated in honour of early campaigns to improve working conditions for women. I would like to take this opportunity to acknowledge the efforts of some of these women.

• (1250)

In December 1993 the Manitoba legislature granted Dr. Charlotte Ross a licence to practise medicine. What makes this event unusual is that Dr. Ross obtained her medical degree 118 years earlier. Charlotte Whitehead Ross has links to this House. Her father, Joseph Whitehead, was the member of Parliament for the constituency of Huron North in the Confederation Parliament of 1867.

After being refused entry to any medical school in Canada because she was a female, Charlotte Ross obtained her medical degree in Pennsylvania in 1875. She practised medicine in Quebec for five years and then in Whitemouth, Manitoba, for another 32 years. She was the first female physician in both provinces.

The Manitoba legislature denied a request to license her in 1887 but she continued to practise unlicensed until 1912, four years before her death. She was a true female pioneer, a woman who was forced to confront state sponsored chauvinism with no employment equity or human rights legislation to protect her. In the proud tradition of western pioneers, Dr. Ross did what so many other prairie settlers did when confronted by arcane government regulations, she ignored them. Charlotte Ross' defiance undoubtedly helped make it easier for other women to follow in her footsteps.

In marking International Women's Day I am extremely proud to acknowledge the accomplishments of my great–grandmother.

Another woman who deserves recognition for her contributions in pioneering a role for women in the workforce is a constituent of mine, a friend and a mentor, Mrs. Ivy Pat Dillon. Prior to World War II at a time when the only job most women could get was as a secretary or a clerk, Mrs. Dillon worked as a manager for a company in the fledgling aerospace industry. She did not get there because of any affirmative action program or government initiative. Pat Dillon was a success because of her talents and her abilities.

Many other women of that era had to leave promising careers because they were expected to leave the workforce when they got married and raise a family. My mother was one of those women. She chose to give up a nursing career to raise a family of nine children. While she may not have climbed the corporate ladder, she made an enormous impact on her family, friends and community in many ways as a wife, a mother and a volunteer worker.

These women all overcame the challenges of a society that was very different from today's. Was it discriminatory? Without question, but societies evolve. It is just that some things take longer than others.

The greatest single factor in changing men's attitudes about equality in the workplace is not legislation. Rather, it is the fact that women have shown that they can compete with men on equal footing.

As a female baby boomer I have experienced amazing changes in the attitudes of both men and women toward the concept of equality. My working career has taken me from a clerk typist earning $210 a month to being an owner–operator of a small business, to a senior government administrator, to a self–employed realtor and finally, to a parliamentarian. During my career I have faced a wide variety of attitudes from males and females.

In her speech the secretary of state commented on the fact that women entrepreneurs experience difficulty getting financing. I can attest to that personally. When I approached a bank in 1980 to get financing to expand my business, I was shocked to learn that it wanted my husband to co–sign for the loan. This was required despite the fact that my husband had nothing to do with

the business, despite the fact that the business was successful, and despite the fact that I had been mayor of that community for three years.

I am happy to report that this attitude has changed. Perhaps it is because women are now in management positions. The last two managers of my local Royal Bank have been female.

However some attitudes have not changed. One of the most chauvinistic individuals I have ever encountered I met last month. This gentleman was of the opinion that no woman who is married should be permitted to work. He thought that married women who work are responsible for unemployment among men. Not surprisingly, he did not get a very sympathetic ear from me.

● (1255)

What I did find extremely sad about this attitude was the fact that the male who held these opinions was only 29 years old. He is a product of affirmative action mentality. He believes that as government has legislated more opportunities for women, it has been at his expense. He views himself as a victim of discrimination.

We cannot legislate attitudes. For women to show their male colleagues that they belong, they have to prove they can compete with them on a level playing field.

I am proud of the fact that to gain my seat in this House of Commons I proved I could compete on a level playing field. Unlike some of the female members from the government side, I was not appointed as a candidate. To secure the Reform Party nomination in my constituency, I ran against five male competitors. At a nomination meeting attended by over 600 voting delegates, I won a first ballot victory. In the subsequent election, all other candidates from the major parties were males. Obviously, I won that election.

There was no special consideration because I was a woman. I competed on a level playing field. That is the way it was supposed to be and that is the way it has got to be. If we want a society where men and women are viewed as equal partners, we cannot accomplish this by punishing young men of today for the sins of their grandfathers.

I am pleased to see the statistics that women graduating from university today will earn the same salary as their male counterparts. It is a reality that these women will lose ground when they absence themselves from the workforce to have children. The logical way to address this problem is for these women and their spouses to draw equally upon their registered personal savings plan to make up the difference.

The alternative would be for medical science to develop a way for men to share the joy of childbirth. However, even if science could develop the technology, it would not be of much use. I think all mothers would agree that men do not have the pain threshold to survive childbirth.

In this celebration of International Women's Day, I share with the secretary of state the goal of true equality of the sexes. I just do not accept that legislation is the way to accomplish it. It gives the impression that women are incapable of obtaining equality solely based on their performance.

Yes, women today will experience chauvinism and discrimination in their lives. But as one of my staffers says, a woman has to work twice as hard as a man to get half the credit. Fortunately, this is not particularly difficult. I believe it is a good sign on the road to equality to know that this quote comes from a male staffer.

* * *

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 65th report of the Standing Committee on Procedure and House Affairs regarding the associate membership of standing committees.

I move that the 65th report of the Standing Committee on Procedure and House Affairs be concurred in.

(Motion agreed to.)

* * *

PETITIONS

LIGHTHOUSE KEEPERS

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, I would like to present a petition signed by over 200 residents of my riding of St. John's West. The petition is in relation to a decision to destaff lighthouses in Newfoundland.

The undersigned residents of Canada draw to the attention of the House that Newfoundland and Labrador has one of the most treacherous coastlines in Canada. Even with the latest technology many lives have still been lost while navigating these coastal waters. Many lighthouse keepers have assisted mariners with lifesaving measures above and beyond the capabilities of technology. Therefore the petitioners call upon Parliament to recognize the valuable service provided by light keepers and to reconsider the destaffing of lighthouses.

● (1300)

Earlier this week I made a statement regarding this important issue. I fully support this request and ask Parliament to reconsider the decision.

JUSTICE

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, I have the privilege to present a petition on behalf of approximately 15,000 Edmontonians. I also understand that there are several petitions being presented on the same issue that equal approximately 64,000 names.

The petitioners would like to draw to the attention of the House the inadequacies of the Young Offenders Act. They request that a complete and thorough review of the existing legislation take place aimed at changing sentencing and repeat offending.

It is my pleasure to submit this petition and to also inform my constituents and Edmontonians that I thoroughly concur with these petitioners.

GOVERNMENT SPENDING

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, it is my pleasure to rise to present four petitions to the House with a total of 545 signatures.

The petitioners are praying and requesting that Parliament reduce government spending instead of increasing taxes and that it implement a taxpayer protection act to limit federal government spending.

It is my pleasure to support this process and I am pleased to present these petitions to the House.

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present a number of petitions today. The first four petitions collectively contain well over 3,000 signatures.

The petitioners are requesting that Parliament not attack the recreational firearms community and support only legislation which severely punishes one who uses a weapon, including a weapon other than a firearm; protects the rights and freedoms of the law–abiding recreational firearms community to own and use firearms responsibly; passes careful scrutiny to see that it will improve public safety in a cost effective manner; repeals present firearms control legislation which features tortuous language and which has been characterized by the courts as one of the most horrifying examples of bad draftsmanship.

EUTHANASIA

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the petitioners of the fifth and sixth petitions which I have here wish to draw Parliament's attention to the consequence of legalizing euthanasia.

The petitioners request that Parliament not support euthanasia or doctor assisted suicide.

HUMAN RIGHTS

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the seventh petition requests that Parliament oppose amendments to the Canadian Human Rights Act or Canadian Charter of Rights and Freedoms which provide for the inclusion of the phrase sexual orientation because such an inclusion will provide certain groups with special status, rights and privileges.

CANADIAN WHEAT BOARD

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the last petition I present today on behalf of my constituents concerns the Canadian Wheat Board.

The petitioners request that Parliament continue to give the board monopoly powers in marketing wheat and barley for export.

GOVERNMENT SPENDING

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, I have five petitions to present today. The first one is signed by Mrs. Sisko Hamer–Jackson and 312 other residents of North Vancouver. The second one is by Mr. F. G. Williams and 26 other fellow Canadians. The third one is by Ross McCarlie and 25 other persons. All three are on the same subject.

The petitioners are praying and requesting that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending.

HUMAN RIGHTS

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, on the other two petitions that I would like to present today, the first one is signed by Helen Hughes and 26 other North Vancouver residents.

It calls upon Parliament to amend the Canadian Human Rights Act to protect individuals from discrimination based on sexual orientation.

The last petition that I have to present today is sent in by Arlene Boreham and 41 other people in North Vancouver.

The petitioners pray and request that Parliament not pass Bill C–41 with section 718.2 as presently written and in any event not include the undefined phrase sexual orientation as the behaviour people engage in does not warrant special considerations in Canadian law.

ASSISTED SUICIDE

Mr. Jerry Pickard (Essex—Kent, Lib.): Mr. Speaker, I have the privilege today to present two petitions.

• (1305)

The first petition asks Parliament to ensure the presence of provisions in the Criminal Code prohibiting assisted suicide and make sure they are vigorously enforced.

RIGHTS OF THE UNBORN

Mr. Jerry Pickard (Essex—Kent, Lib.): Mr. Speaker, the second petition wants to extend the protection for the unborn child by amending the Criminal Code to extend the same privileges to them as to born children.

ASSISTED SUICIDE

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, I have a petition that has been duly authorized by the clerk of petitions and has signatures on it from my constituency in the Woodstock and Hartland area.

Those signing are petitioning Parliament to ensure that the present provisions in the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no change in the law that would sanction or allow the aiding or abetting of suicide or any activity designed to terminate human life.

HUMAN RIGHTS

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I have three petitions today.

The first one deals with potential changes to the Canadian Human Rights Act in terms of sexual orientation. The petitioners are opposed to that.

The second petition also deals with the sexual orientation issue in the human rights act. These petitioners support that potential government action.

GUN CONTROL

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, the third petition relates to the potential firearms legislation before the House. These petitioners express concern about the provisions as presently before the House.

BILL C–41

Mr. Peter Milliken (Kingston and the Islands, Lib.): Mr. Speaker, I am pleased to rise to present a petition signed by numerous residents of the Kingston area requesting that Parliament delete a section from Bill C–41.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if Questions Nos. 87, 130 and 132 could be made Orders for Return, those returns would be tabled immediately.

I may say that in respect of Question No. 87, the hon. member for Calgary Southeast has been complaining recently, I will put it politely, that she has not received this information. I am pleased to table it and I hope the week we are not sitting will afford her an opportunity to read the material, given its rather voluminous nature.

I am tabling only one copy here today because of the bulk. The other two copies are in *Journals*. I am also tabling the Orders for Return of the other two orders agreed to by the House.

The Acting Speaker (Mr. Kilger): Is it the pleasure of the House that Questions Nos. 87, 130 and 132 be deemed to have been made Orders for Returns?

Some hon. members: Agreed.

[*Text*]

Question No. 87—**Mrs. Brown:**

For 1992 and 1993, what was the total amount of funds received by individuals and groups from the Canada Council, who were these individuals, for what specific projects did they receive funding and how much did they receive?

(Return tabled.)

Question No. 130—**Mr. Strahl:**

With regards to the determinate and indeterminate federal employees declared surplus in all the departments and agencies of the federal government, what are the reasons/categories for their surplus status, how many employees are in each category by department/agency, and how many employees in each department/agency are receiving pay without actually performing work?

(Return tabled.)

Question No. 132—**Mr. Strahl:**

With regards to determinate and indeterminate employee reclassifications across all departments and agencies within the federal public service, what was the number of reclassifications by month and by department/agency across the public service from November 1993 to the present, and what were the reclassifications by level, by month and by department/agency across the public service, from November 1993 to the present?

(Return tabled.)

[*English*]

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

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): I wish to inform the House that pursuant to Standing Order 33, because of the ministerial statement, Government Orders will be extended by 28 minutes.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1995–96

The House resumed consideration of the motion that Bill C–73, an act to provide borrowing authority for the fiscal year beginning on April 1, 1995, be read the second time and referred to a committee.

The Acting Speaker (Mr. Kilger): I want to remind the House that pursuant to Standing Order 74 we are now at the next stage of debate in which members will be entitled to a 10–minute maximum intervention without question or comment.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, Bill C–73 is the Borrowing Authority Act of 1995–96. Unfortunately it is becoming an annual event in the House of Commons that we debate the Borrowing Authority Act every year after the budget.

Every year since the early 1970s we have had to introduce a borrowing authority in order for the government to carry out the intentions and the policies introduced by the Minister of Finance in his budget.

During these last 30 years or more the borrowing authority has now increased our indebtedness up to $550–odd billion. We know unfortunately that we are going to be doing the same again next year as we increase the borrowing authority another $30–odd billion, $25 billion the subsequent year, and on and on.

When will it stop? That is what we want to know. We have been asking questions in the House of the Minister of Finance, of the Prime Minister, of any member of the government who is prepared to give us a simple, straightforward answer. When can we expect this budget to be balanced?

• (1310)

In due time, the Liberals say. We have been waiting for over 30 years. They created the problem in the 1970s which was carried on by the Tories in the 1980s. They are going to perpetuate it in the 1990s. How long before we stop having this annual rite of debating borrowing authority to dig ourselves further and further into the whole?

One day foreign lenders and the international investment community will not worry about our borrowing authority. They will say that we are not going to get it. They are the ones who are going to say it is all over. It is not going to be this House of Parliament that is going to say we can go out and borrow more money. The international lenders will say that is it, we are cut off. Then what?

The Reform Party has been trying to tell this House to balance the budget in three years. If foreign lenders tells us there is no borrowing authority we will be balancing this budget in three weeks. The Minister of Finance and the Prime Minister refuse to balance the budget or even tell us when we are going to stop this annual fiasco of more and more borrowing.

We had the Minister of Finance table a budget the other day. This was the toughest budget we have had since the second world war. This was really going to cut the fat and get down to the real nitty–gritty of managing the nation's finances.

The following day the President of the Treasury Board tabled the estimates and guess what, spending is going up again. Even though this was the toughest budget since the second world war spending is going up again. Let us stop fooling the Canadian people and let us get the job done. That is all we ask.

The polls are now showing that half of Canadians took one quick look at the budget and felt it was not tough enough and not quick enough to balance the budget. They said for goodness sake, can this government get its act together and get the job done.

All the Minister of Finance could do was increase taxes again; more taxes again on gasoline which affects every person in this country more or less, certainly almost every family. Remember that we have no inflation in this country any more. That means when the government increases taxes on gasoline it is going to affect every family because virtually every family has a car.

This means that these families are going to have to squeeze their budget because the government is going to take more from them. They will have to do with less and adjust their budgets downward in order for them to accommodate the fact that the government is reaching further into their pockets because this government cannot do its job of living with less, doing with less and spending less. It has said that it needs more money and Canadians are going to give it whether or not they like it. That is the fault of the way in which this country has been managed for the last 30 or more years. The government could also tap the taxpayer for more money. That is not going to work any more.

We could always tap the international investor for money but that is not going to work any more. The day is rapidly approaching when we are going to have to say that we have to live within our means. We must do it now or or we must do it as soon as we can to get the budget balanced and be able to return to some idea of prosperity in this country.

There was another budget introduced about 10 days ago called the taxpayer's budget. The Reform Party said the job can be done in three years. Not only can the job be done in three years, it can be done without increasing taxes period.

Let us compare the taxpayer's budget with the Liberal budget which spends more money liberally and leaves the taxpayer with less money. Remember I said the taxpayers were going to have less money. There is no inflation in this country. The taxpayer is now going to have less money because the government wants more. It will squeeze $9.9 billion out of the taxpayers this coming year. Next year it will be $1.3 billion. The subsequent year it will be $1.4 billion. These are the figures of the Minister of Finance, by the way.

• (1315)

That will carry on ad infinitum until the date we can turn things around and say: "Here is a tax decrease". The extra $1.4 billion a year will carry on every year. That should be compared to our taxpayers' budget which said the job could be done and there would be no more taxes.

What about the deficit? According to the figures of the Minister of Finance, in the year 1995–96 the deficit will be $32.7 billion. The Liberal government has been around for 18 months. The deficit was $40–odd billion when it arrived. After this draconian or toughest budget since the second world war—and this is the minister's second budget—he will only get it down to $32.7 billion.

The following year it should be $24.3 billion and maybe $20 billion after that. Who knows after that as the country goes into an economic decline, with UI and other costs like welfare going up and tax revenues going down? They know that will happen. My goodness, are there no business people over there? Tax revenues will go down, expenditures will go up and we will have lost control of the budget again.

What about the taxpayers' budget? The figure in 1996–97 would be $23 billion, not the $32.7 billion of the Liberal government. In the subsequent year we would be down to $11 billion, while they would still be up at $24.3 billion. And, hallelujah, in the following year at the end of 1997–98 we would be down to zero, a balanced budget, and the Liberals would still be around $20 billion.

If they are still over there in that year, we will still be over here talking about another borrowing authority. However if we are over there and they are over here they will not have to worry about borrowing authority speeches after all. We will not need them.

What will the Liberal budget do for job creation? We already know that it is not too rosy in the public sector. There will be 45,000 less jobs. In the private sector there is more debt and less jobs. That is fairly simple. We know that already. Whereas in our budget we acknowledge there will be a negative impact on the public sector because we will have to do what those folks are doing because we will have to fix the problems you created.

The Acting Speaker (Mr. Kilger): I would ask the hon. member to direct his comments to the Chair. I feel left out again.

Mr. Williams: Mr. Speaker, I would not want you to be left out. I apologize. If the Liberal government remains over there it will have its work cut out. Jobs will be denied because of the fact that debt will still be mounting.

On it goes. We produced a 58–page document, almost as big as the one the Liberals produced with all the masses of the public service, statistics and budget analysis right across the country as they spent millions of dollars. What did it all matter? We now find out that the big consultation before the budget was at the Liberal caucus just before the budget was brought down. Perhaps that was the big consultation that influenced the Minister of Finance. All this consultation across the country was for show.

A borrowing authority as an annual event has to stop. That is what we are saying. We cannot afford any more. Therefore let us make a commitment or let us make a real resolution in the House that we may have this one and perhaps two more debates on borrowing authority and no more.

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I appreciate having the opportunity to talk about the budget. I would like to start by congratulating the Minister of Finance.

The Minister of Finance has put forward a responsible, well developed and, something members opposite have a hard time with, fair budget.

• (1320)

It is a fair budget, a responsible budget and a good budget because the government recognizes that it has a dual responsibility when dealing with Canadian affairs. It recognizes that it has a fiscal responsibility. That is why the budget is prudent. It recognizes that we operate in a businesslike way but recognizes that we are not a business. It recognizes that we need to get full value for each of the dollars we spend.

In addition, the government recognizes that it has a social responsibility and that certain things are done in government not just to earn a profit but because they are the right things to do. We do them because we recognize as a government that we have responsibilities and obligations to individual Canadians. We intend as a government to adhere both to our fiscal responsibility and to our social responsibility.

I do not think there is any question in terms of fiscal matters that our responsibility has been carried out and carried out well. For the first time in almost a generation a Minister of Finance established a deficit target last year. Not only did he hit that target. He did far better than what he said he would be able to do.

Second, the minister set a medium term objective of 3 per cent of GDP in the next two years. He set out a strategy that will see us do that. It is a clear and concise strategy. It is an achievable plan that will see our deficit reduced to 3 per cent of GDP.

Despite what members opposite might say, this is not a smoke and mirrors budget. These are real cuts. This is not what happened in the past where the talk of reduction was simply that we would spend a little less than the increase we had planned. These are real cuts in actual spending and they are being done

with no personal income tax increases. They are real reductions, despite what the member opposite said.

In the first year we will cut expenditures by $3.9 billion. In the following year, 1996–97, it will be $5.9 billion. In the third year of the plan it will be $7.2 billion. That is a decline in a three–year period of almost 19 per cent. It is the largest decrease in government since we demobilized after the second world war.

The minister in establishing the budget did two very important and prudent things. First, his estimations in terms of growth and interest rates were very prudent. In terms of growth he projected a smaller amount than what the average private sector suggested. In terms of interest rates, both short and long term, he set his projections higher than what the private sector was suggesting. He built in a cushion to ensure that the budget is fiscally responsible.

Second, he set up contingencies in the next two years: a contingency of $2.5 billion in the first year and a contingency of $3 billion in the second year. He has made what I believe is an important commitment, that if he does not need the contingencies to achieve his deficit reduction targets the moneys will be used to further reduce the debt.

The minister has gone about setting a budget like we do when we set our household budgets or our small business budgets. He has taken what was in front of him, set out a reasonable plan over a reasonable period of time, built in contingencies and come up with a strong, workable plan.

In addition to the fiscal responsibility the minister has recognized the social responsibility. Although we are to cut some funding from social programs, it is important to remember than when the budget is fully implemented we will be spending as a government more than $50 billion on the social safety net of the country, more than $50 billion to protect the men, women and children of Canada. That is an important principle which the minister understands. It is an important Liberal principle and I am proud to sit with a government that recognizes it.

It is a budget that is fair and equitable because it asks all segments of Canadian society to participate in the exercise. It does not ask one part of Canadian society to carry an unfair burden. It is not suggesting that some segments should not have to participate at all. That is why the budget covers a wide range of areas.

• (1325)

Large corporations have been asked to participate by providing some increased revenue. They have been asked to participate by a decrease in subsidies going to businesses.

The federal government is putting its own house in order first. It is going to cut its expenditures by 19 per cent. That is the largest part of the cut.

Individuals have been asked to participate as well, as they should, not through increased income tax, not through taxing RRSPs, not through taxing dental and health benefits, but through a modest tax on gasoline.

He asked the provinces to participate as well. He asked them for a 4.4 per cent participation which is only half as much as what the federal government is doing itself. I think that is important. It is absolutely ludicrous when provincial premiers suggest that we as a government should totally exempt them from participating in the deficit reduction exercise.

Finally, as members of the finance committee which did a prebudget exercise unlike what the member opposite suggested, we adhered to the three principles that came out of the committee meetings. The first was that expenditures should be the largest portion of the action, not taxes. We did that with a 7:1 ratio. Second, we had to get our own house in order first. We did that with a $29 billion three–year cut in our own expenditures or a cut of 19 per cent. The third was that we would be fair and equitable. We did that by having all segments of Canadian society participate.

In conclusion, let me say unequivocally that I support the budget. I support the Minister of Finance. I support the government. We have achieved the dual objectives of fiscal responsibility and social responsibility. I am proud of what the minister has accomplished.

[*Translation*]

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, I thank you for this opportunity to comment on the budget tabled by the Minister of Finance last Monday. Beyond the rhetoric and eloquent speeches, a cold hard look at this budget uncovers the extent and consequences of the federal system's inability to reform and to respond adequately to the aspirations of Quebecers and of Canadians.

Author Jean–François Lisée recently published two works whose titles are evocative of the con job the government has just pulled, the havoc it has wrought, and they are in the back of my mind as I analyse the unseen side of the finance minister's budget, the hidden aspects of its condescending rhetoric which does not tell us the truth about what is really at stake.

First of all, this budget misleads Canadians when it purports to be hard on everyone. This is not the case. It attacks the neediest members of our society, who will bear the brunt of the major cuts, and leaves undisturbed the large corporations and banks. Large corporations will still be able to escape the tax man, and banks will be taxed very minimally, compared to their astronomical profits.

Second, this budget misleads Quebec and the provinces, when it claims to be courageously attacking the federal deficit, when in fact it is offloading the greater part of that deficit onto the backs of the provinces. Seven billion dollars in expenses have been transferred in this manner, but no power went with it.

Third, this budget is destructive of social programs, and in particular health programs. The official speech conceals the truth of the matter, when it implies that the principles underlying the Canada Health Act are not affected and remain unchanged. Some treat when the federal government orders the meal for Quebec and the provinces and leaves them to pay the tab.

Fourth, and this is the most disturbing, this budget flies in the face of the government's claim to be embracing flexible federalism, the latest version of its favourite theme. There is no flexibility in this budget, other than that demonstrated by the Minister of Finance when he sidesteps his responsibilities and dumps them onto the provinces. Everything else remains unchanged. National standards, spending authority, overlapping of departments in areas of provincial jurisdiction.

• (1330)

With this new budget, the government is once again waging an all out war on the least fortunate members of society. For the second year in a row, the unemployed and the small wage earners are bearing the brunt of the cuts, while major corporations and banking institutions go nearly unscathed.

The finance minister announced new cuts to the unemployment insurance program, while he will only temporarily increase capital tax for major banks. He will beg banking institutions for a paltry $100 million, while, in 1995, the Royal Bank alone recorded profits of around $1.2 billion.

Moreover, this government refused to listen to all those, including the Bloc and the Conseil du patronat du Québec, who were asking for the elimination of all business subsidies. The finance minister chose instead to cut $300 million from social housing instead of using the $1.5 billion still earmarked for business subsidies.

Is this the federal approach?

Major corporations and banks can rest easy. The finance minister clearly indicated in his budget that, once again, the unemployed and the poor will be stuck with paying the bill for the inefficiencies of this unworkable federalism; at the same time, he maintains, until the end of the century, the privileges enjoyed only by the rich through family trusts.

The budget is very clear: within the next two years, the federal government will deprive the provinces of 7 billion dollars worth of transfer payments for health care, post–secondary education and the Canada Assistance Plan for which provinces will have to pay out of their own pocket. This is what we call offloading your deficit onto the provinces. Indeed, the federal government should put its financial house in order, but not at the provinces' expense.

Quebec is being loaded down with a big chunk of Canada's deficit, while, for its part, the federal government keeps interfering in Quebec's jurisdictions. Quebecers will keep on paying the cost of all the duplication inherent to the federal system. We will still have two health departments, two human resources development departments, and two environment departments, to name only a few.

This is the new Canada promised by this bad budget. This so–called decentralizing budget is, in fact, nothing but an empty shell, since the federal government will continue to intervene in areas of jurisdiction belonging to the provinces.

The irony in all this masquerade is that, while cutting by 27.1 per cent the transfers to Quebec, the federal government continues to impose to the provinces the same national standards, in particular those coming under the Canada Health Act.

In 1979, when that bill was proclaimed, the federal government was paying 45 per cent of health and post–secondary education costs. Since transfer payments where frozen in 1992, the federal share has been reduced to 29 per cent. With the new measures contained in this budget, the share of the federal government will be down to a new record low of 15 per cent.

How can the minister have the nerve to want to impose national standards when the federal share of health care has dropped 35 per cent since 1979, despite a substantial increase in health care costs, and will decrease again more than 55 per cent with this new budget?

It seems to me that the federal government will have no choice but to leave to the provinces complete management of the health care system.

I said earlier that this budget will mean the floundering of our social progams as we know them today. We all know that Quebec and the provinces are faced with very steep increases in the costs of health care. This is mainly due to the following factors: aging of our population, new and more expensive medical technologies and a substantial increase in the cost of drugs.

Just like previous budgets when the government froze all transfer payments, in this budget, the government announces massive cuts to transfers to Quebec and the other provinces of funds earmarked for health.

• (1335)

It does not matter if these transfers are combined with others to create one single envelope, the result will be the same: there will be less money for health care and the government will be jeopardizing the fundamental principles of our health care system.

The finance minister should have been honest and open with the Quebec and the Canadian people. He should tell them that these cuts to the provinces mean the end of our health care system as we know it now, because that is the real issue here.

Look, for example, at the recent statements made by the prime minister and the Minister of Intergovernmental Affairs, who contradicted the Minister of Finance who said, and I quote: "The conditions of the Canada Health Act will be maintained. For our government, those are fundamental."

How can the Minister of Finance still imagine and argue that Quebec and the other provinces will be able to continue to deliver the same quality of health care services to the people? How can Quebec and the other provinces implement the five principles of the Canada Health Act imposed by Ottawa when the Minister of Finance passes on to them billions of dollars of deficit by means of cuts to the social programs?

The Minister of Finance should have shown courage and tell upfront to his fellow Canadians: "Unfortunately, because of the errors we have made, mainly in the Chrétien and Lalonde budgets, we can no longer afford our health care system as we know it now".

Instead of assuming his responsibilities, the finance minister is trying to get out from under them. The government shuns its responsibilities when it passes its deficit on to Quebec and the other provinces. This government is misleading the Canadian people by not telling them that the health care program is doomed because of this budget.

Let me conclude by saying that this budget is misleading, since it does not mention the cuts that are still to come. It widens the gap between the rich and the poor in our society and puts an end to a good number of features of our social programs.

Canadians must know that. Quebecers in particular must be aware of it before they make a final judgment on the federal regime, which obviously fails to solve its own problems and, even more, to renew itself according to the expectations of Quebecers.

[*English*]

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, it is certainly a pleasure to comment for a few minutes this afternoon on the budget that was presented this week.

I want to start by passing on the comments that I made to members of the press in my riding when I spoke to them on budget night. When asked what my reaction was I said it was one of excitement because this is not the first budget that I have seen. I certainly have not been present for the considerable number that some members in the House have, but this is the seventh one.

This budget fulfils the expectations and hopes for the majority of Canadians. I have been telling my constituents for the last number of weeks and months as they offered suggestions to the government that our challenge was to meet the requirements out there with fair and equal treatment for everyone along with being effective. We met those criteria.

We know that two situations in Canada today are clouding the issue. One is the uncertainty of the future of the province of Quebec. I am pleased to say that the majority of the people in Prince Edward—Hastings say: "My Canada includes Quebec".

Fortunately for all of us, more and more Quebecers are realizing that every day and they have every reason to. More and more Quebecers are realizing that a strong central government is what is good for this country and what is good for everybody. All of us will be better off as Canadians and as human beings if we are part of the family we call Canada.

The finance minister pointed to the second cloud which is the debt and the deficit. I do not have to remind anyone of the size of that: over $500 billion in debt, a $42 billion deficit a year ago, some $80,000 a minute to cover the interest on it, and I could go on.

I need to say no more in emphasizing the fact that the government has a tremendous challenge. Our country has a tremendous challenge. This challenge can only be successfully met with competence, compassion, reform and hope. We made a great step toward that on Monday night with the budget.

We have been honest with Canadians by saying that we too know there is a lot more yet to do. What we did on Monday night was done by pushing the needed measures as close to the edge as possible and doing it without playing havoc with the economy which is growing at a faster rate than just about any other country in the world. Certainly it is the fastest of any of the G-7 countries. Things are on the move. Perhaps they are not moving as fast as we would like but they are certainly on the move and they are going in the right direction.

We knew we were being watched. We were being watched by the international community, by the money markets, the domestic financial institutions, the domestic money markets, the business community. We were being watched by everyone, including all Canadians.

We did what was needed but we did not enjoy it. I can say we did not want to do it because it is not nice to say that we are going to reduce employment, that we are going to have to make some changes. When I say we did not want to do it, it was not because it did not need to be done. It did need to be done. As the Prime Minister has said so clearly and so often, we did it because it was necessary.

It reminds me of some advice I gave to the finance minister leading up to the budget and the slogan used by the prominent company, Nike: Just do it. And we did it. We did it by making $7 worth of cuts for every $1 increase in revenue. We did it after

having listened to Canadians in the greatest consultation process that has ever taken place leading up to a budget.

We did it without increasing income tax. We did it without taxing dental and employer provided medical plans. We did it without making many changes that would affect to any great extent registered retirement savings plan contributions.

We did it without taxing lotteries. Many people thought we would. A number of people said not to tax lottery winnings. I told them that if they were to win a million dollars and had to pay tax on it but did not want to, I knew some people who would take their ticket for them.

We did it without changing the capital gains tax for small business and farmers. In so doing we again recognized the importance of small business and farmers in the Canadian economy.

Yes, we did it on the revenue side by increasing the tax on gasoline 1.5 cents a litre. I think that is fair and equitable from coast to coast. We also did it by cutting the size of government. Yes, I recognize that people in Prince Edward—Hastings riding in the civil service will have to contribute and will be contributing.

The Acting Speaker (Mr. Kilger): Order. It being 1.43 p.m., pursuant to Standing Order 73, it is my duty to interrupt the proceedings and to put forthwith every question necessary to dispose of the bill now before the House.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

Some hon. members: On division.

(Motion agreed to, bill read the second time and referred to a committee.)

• (1345)

Mr. Boudria: Mr. Speaker, because of the ministerial statement we should be starting private members' hour in 15 minutes. However, if members are agreeable and with unanimous consent perhaps we could start private members' hour immediately.

The Acting Speaker (Mr. Kilger): The Chair might be of some help if the chief government whip would approach the Chair for a moment.

Mr. Boudria: Mr. Speaker, I rise on a point of order. Pursuant to what we discussed briefly earlier, if you were now to seek unanimous consent you would find that instead of suspending the House for 15 minutes, which is what we would normally do at this time, we could perhaps start immediately with private members' hour, as no other bill is before the House.

The Acting Speaker (Mr. Kilger): The House has heard the suggestion of the chief government whip. Is there unanimous consent?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): It being 1.50 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

INCOME TAX ACT

Mr. Jim Silye (Calgary Centre, Ref.) moved that Bill C–247, an act to amend the Income Tax Act (child care expenses), be read the second time and referred to a committee.

He said: Mr. Speaker, I rise today to present my private member's bill C–247, an act to amend the Income Tax Act on child care Expenses.

This bill would give all parents a tax deduction of $5,000 or $3,000 per child to assist them with the increasing costs of raising their children while at the same time eliminate the current tax discrimination against stay at home parents and those who do not use day care. All parents would have the same deduction available to them regardless of their incomes, status, marital status, labour force, or chosen method of child care.

• (1350)

I would like to read an excerpt from a discussion paper that was sent to me, not by a special interest group but by Cheryl Stewart and Sandra Evans of Ontario. It reads:

> We are Canadian mothers who work at home full time nurturing our children.
>
> We both had successful careers in the paid workforce prior to choosing to stay home and raise our children.
>
> We are concerned about the direction that this process is taking toward institutionalized child care and how it is virtually ignoring other forms of care—particularly those who choose to care for their own children.

According to Statistics Canada, 68.5 per cent of women in two–parent families with children under three, and 62 per cent with children between the ages of three and five, remain at home on a full time basis or work part time. When all women in two–parent families with children under 16 years of age are taken into consideration, 57.6 per cent have decided to either remain at home full time or work part time.

These figures show us there is a large percentage of women who have made their choice to stay at home with their children. Despite this fact, they are not entitled to the same tax treatment as those who use day care.

As a direct result, our courts are filled with cases of individuals and families alike who feel that the Canadian income tax system discriminates against them. Calgarians, Jim and Laurie Boland, for example, were told in Federal Court that a parent that chooses to be at home with a child is not entitled to the same privileges as those who pay for child care.

The judge ruled that the Income Tax Act admittedly denies the Bolands equal benefit under the law but because stay at home parents are not "a discrete and insular minority" they are not protected by the charter of rights and freedoms.

This is just one example of people fighting a system that does not reflect the realities of society. Currently provisions in the Income Tax Act make the child care expense deduction only to families who pay institutions to look after their children. The deduction can only be claimed by the lower income spouse of a married couple, which makes it useless when one parent stays home to raise the children.

In other words, if you put your child in receipted day care, the government will reward you, but if you opt for a different arrangement like most Canadians do, you are on your own. It is just a matter of time before the courts overrule this decision. Maybe it is time for the legislatures in Canada to set the agenda as opposed to responding to court decisions.

You only have to look at how the Thibaudeau decision on child support payments sent the Minister of Justice scrambling. The fact is that this legal discrimination must and should stop. As the dynamics of the family continue to change, parents should be free to choose the method of child care that best suits their situation, as opposed to having government reward one choice over another. It is the choice that I am trying to emphasize today. Flexibility and freedom of choice should be the key elements of our approach to child care.

It is obvious that people cannot afford non–subsidized day care and have limited choices other than to stand in line and wait for a spot in a subsidized program. Why not give them the financial means and the options to choose other forms of child care? Provide all families with the $5,000 tax deduction, leave the money in their hands and let them choose whether to stay at home; unregulated day care, nannies, relatives or friends are the best options for them.

Interest groups all talk about the need for more flexible child care. Here we have true flexibility. Leave more money at the source and stop financially encouraging families to choose outside receipted child care.

Let us look at this from a different perspective, a different angle. Currently there are 360,000 child care spaces in Canada, 150,000 of which are subsidized for low income families. Is the answer more spaces as the Liberal government thinks, or is it more choices as I think?

The purpose of my bill is to amend the Income Tax Act to allow the deduction of a fixed amount of $5,000 or $3,000 as child care expenses, depending on the age of the child, regardless of the income of the parent and the amount of child care expenses actually incurred. Quite simply, the bill provides for a straightforward income tax deduction per child, up to age 14, to any taxpaying parent regardless of the method of child care chosen.

• (1355)

Therefore, Bill C–247 is based on three fundamental principles: funding the family, not the institution; giving freedom of choice to parents for their preferred method of child care; addressing the shortcomings of our current system and the subsequent increases in the financial burden on Canadian families.

The fact is that Canadian families have been taxed to the hilt. With Bill C–247 parents would be free to choose how to best spend their money. If they choose to send the kids to day care, so be it. If they choose to have one parent stay at home to raise the children, let us give them the freedom to make that decision. My main concern is to treat everyone equally. Leave money in the hands of the people who earn it and need it, and let them make their own choices on how to run their lives.

The vast majority of federal funding for children's programs in Canada is provided in the following ways. There are actually six different mechanisms by which people get assistance.

The child tax benefit went into effect in January 1993, replacing the former family allowance program as well as the refundable and non–refundable child tax credit. This program delivered benefits of $5.2 billion between July 1993 and June 1994.

The Canada assistance plan, which comes under the human resources department, shares in the cost with the provinces and territories of providing social assistance and welfare services. This program delivered benefits totalling $2.8 billion in the year 1993–94.

The third mechanism is the child care expense deduction. It is a tax measure intended to assist parents with the cost of receipted child care. This program cost Revenue Canada just over $330 million in fiscal 1993–94.

The fourth mechanism is the equivalent to married tax credit, which is a non–refundable tax credit available to single parents to help ease the burden of raising children alone. Only one child can be claimed. This program cost the federal government just over $565 million in fiscal 1993–94.

The fifth mechanism is the goods and services tax credit of $213 million per year.

In addition, the Liberal government in the red book promised to spend an additional $1.4 billion with the provinces to create 150,000 regulated, non–parental child care spaces over the next three years. This is apparently on hold with the latest budget. Hopefully that will be confirmed later on today.

Currently in Ontario there are about 7,000 vacant child care spaces in non–subsidized day care, while 25,000 people are on waiting lists for subsidized day care. If we put stay at home parents or any families that do not use outside receipted day care on the same financial footing as those who do, then some of those child care spaces would be freed up as parents choose different options and the list of 25,000 would shrink.

The government could then take part of the revenue that it was going to spend on more spaces and target it specifically at the poor families in the form of subsidies and benefits. That would be a true social program for the truly needy, a welfare assistance program that helps people who are in need, if it is a demonstrable need.

We are considering spending billions of dollars to apply a national program and national standards to families that are different in composition, situation, work and educational schedules, income, age, cultural and linguistic profiles, urban and rural settings, and the list goes on. The only common denominator I can see is that these people all have children.

Does it not therefore make sense to give families the economic tools to make their own decisions depending on their own specific needs? Let us consolidate the list of programs which I outlined and adopt Bill C–247 for all wage earners and introduce a social welfare package that, I submit, would be of significantly less cost.

• (1400)

If one totals the programs I have mentioned, it is over $8 billion. We can certainly have a two–level plan and make the cost for the social and welfare programs a lot less.

Using Revenue Canada statistics, using the government's main statistics bank, for taxes filed in 1993 it is estimated that Bill C–247 would cost the federal government $3.6 billion in tax revenue losses. One can call them tax expenditures.

The government may come up with another set of figures that says $6 billion but maybe the cost is $4 billion or $5 billion. What is a billion these days? People seem to throw it around like it does not matter.

The question that begs to be asked, however, is where that money comes from. Where does the money come from for this new program that everybody gets a deduction? The answer, 92 per cent of my bill is related to families with incomes above $30,000.

Simply put, one needs income to claim a tax deduction. Last year the $5.2 billion child tax benefit which was designed to help lower income families paid out $2.1 billion to families with incomes in excess of $30,000.

If members narrow the targeting of the child tax benefit to those making $30,000 and under, that would free up $2.1 billion to pay for Bill C–247. Do not forget I said there is a two–tier system, over $30,000 and under $30,000. We have just freed up $2.1 billion to help cover the costs of Bill C–247.

Where does the additional $1.5 billion come from? If I stick to my $3.6 billion in costs, which I could round up to $4 billion if the government would like me to, a portion can come from the $1.4 billion. We have found $2.1 billion now. A portion can come from the $1.4 billion that will be spent on subsidized day care, the future spending they will not have to spend. Leave the current day care facilities in place and reduce that list of 25,000 people who are waiting. They can go to the ones that are empty in the private day care centres or they might choose other forms of day care.

Eliminate the need for the equivalent to married tax credit, the $565 million, because quite simply with Bill C–247 single parents would be left with more of their own money and be able to claim more than one child as is currently the case.

They would not need this assistance because as the recipients of child care payments, they would have the offsetting deduction to eliminate the tax payment. There is another $560 million.

The final costs would be made up through the elimination of handling charges on the money that is redistributed by Ottawa through tax credits. The beauty of a deduction is that the money stays at the source, leaving more disposable income for people, lower processing fees for Ottawa and greater netbacks for everybody.

I believe that the power of the lobby for day care is overly evident in governmental policy to date. In his social reforms discussion paper, the Minister of Human Resources Development addressed day care spaces and flexible work arrangements for parents but said nothing about current taxation inequities, charter challenges or, more specifically, stay at home parenting.

One of the biggest single problems that this government has is that it always fails to identify the right problem, just like the deficit and the debt. It wants to lower the deficit. However that is just a contributing factor to the debt. It should be attacking the debt and how to solve that problem.

Such a move would have been too racy, the Minister of Human Resources Development said on a Calgary talk show, to consider a proposal of deductions for children. I fail to see what is so racy about a tax break for people who work just as hard in the home,

but it is obvious that someone with a different view has the minister's attention.

The red book deals once again with the day care spaces but not with other significant issues affecting families in the 1990s. For example, it specifically addressed a child care system that enables parents to participate fully in the economic life of the country. That is on page 35, for members opposite.

In other words, do not stay at home, work. What about people who choose to directly participate in the lives of their child? Is this not valuable? When the Tories were in power they proposed Bill C–144 which basically stated that parents of children six and under would be able to double the child care expense deduction of $2,000 in 1988.

• (1405)

For the benefit of larger families the plan would have removed the $8,000 family limit for child care expenditures.

Parents staying at home to care for their children or those without receipts for child care expenses would have been able to claim an additional $100 tax credit per child in 1988 and $200 in years after that; not significant amounts, but recognition of the problem was a step in the right direction.

Bill C–144 was hammered by the lobby groups for subsidizing for profit care and spending money on tax breaks as opposed to subsidized spaces. It died on the Order Paper, on October 1, 1988.

Day care advocates continue to claim that true equality for women cannot be achieved until a universal day care system is in place. I argue that a balance must be struck to encourage a system that enables parents to participate fully in the economic life of the country and/or if they so choose to participate fully in the raising of their children.

The key word and the key problem this bill is attempting to resolve is choice, eliminating the discrimination. The current legislative agenda does not recognize that people want the freedom and resources to choose what is best for their children. They are tired of governments and government bureaucracy trying to influence their actions through old–fashioned social engineering.

I recognize that child care comes under provincial jurisdiction. This is the federal contribution to that system. In conjunction with provinces they could discuss the various ways and means of developing the social safety net to target those who are truly in need.

Bill C–247 is of national interest as it addresses the highly contentious issues of national child care, funding for child care spaces, the discriminatory aspects of the Income Tax Act for individuals using non–receipted child care, the stay at parent. It encourages the focusing of social spending to the truly needy and provides families that are not in need of social programs with tax incentives to spend their money the way they see fit.

The time has come to bring tax laws up to speed with the modern era. We must modify present tax laws, not only to bring about greater fairness but to reflect the changes that have occurred in our society.

The Bolands from Calgary challenged the discriminatory nature of the Income Tax Act. The Schachtschneiders challenged the discriminatory nature of the Income Tax Act in its apparent favourable treatment of common law couples as opposed to married couples. Ms. Thibaudeau challenged the discriminatory nature of the Income Tax Act in its treatment of child care payment recipients.

Unless we act now the only way these issues will be truly addressed in the House is if the Supreme Court or the federal courts render a decision that contradicts or negates existing legislation. We have an opportunity as legislators to initiate discussion and action on this issue which, after all, is how things are supposed to work.

The Income Tax Act is by no means perfect. Bill C–247 would go a long way in addressing the reasons for the charter challenges. Contributions to the work force should once and for all be on the same level as contributions in the home. I recommend that we stop playing one off the other and start giving stay at home parents financial, political and social respect. They deserve the opportunity to work not only in the home but in the workplace as well. They deserve the opportunity to live the lifestyle they choose to live on their own without having to consider tax implications and the costs, the netbacks or the net benefits they are receiving.

As I mentioned, the five or six existing programs are just like the Income Tax Act. They make up part of the Income Tax Act, with 2,137 pages of convoluted, mixed up mishmash that is difficult to understand. If we took those six programs, combined and consolidated them to make two, one for over $30,000 and one for under $30,000, this government and parliamentarians would be proud to present a system of child care better than what we currently have.

• (1410)

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, I thank the hon. member for Calgary Centre for the opportunity to present the views of the government on this issue. I appreciate the time being set aside during private members' hour to give him, his colleagues and other interested people the perspectives that I, as parliamentary secretary, can bring to bear on this issue.

[*Translation*]

Members will recall that the Reform Party's alternative budget presented last week called for massive spending reductions, including $15 billion on social programs.

It is surprising, therefore, that Bill C–247, tabled by the Reform Party member for Calgary Centre, proposes action that would increase federal and provincial tax revenue costs by a whopping $6.5 billion annually. That is right, an extra $6.5 billion a year at a time when all Canadian governments are striving to reduce both their deficits, and Canadians' tax bills. Maybe the The Taxpayers' Budget should have been entitled Out of The Taxpayers' Pockets.

Bill C–247 is also surprising given that Reform's budget says that government must "build on the Canadian tradition of self–reliance—and make assistance available only to those who are genuinely incapable of providing for themselves". However, Bill C–247 does not limit assistance to those who need it. Rather, it would allow fixed child care expense deductions of $5,000 or $3,000 for all, regardless of the income of the parents or the amount of child care expenses, if any, actually incurred.

In effect, Bill C–247 would actually create a new child tax benefit. And sadly, because it would depend on a taxpayer's marginal tax rate, the benefits would actually be greater for those in high income brackets than for those in lower brackets.

Unlike the measures proposed in Bill C–247, the current child tax benefit targets substantial assistance to low and middle income families with children.

Delivered monthly and tax free, it provides a basic annual credit of $1,020 per child, plus $75 for the third and each additional child.

That assistance is reduced by 5 per cent—2.5 per cent for one–child families—of family net income over $25,921. Also included is a work income supplement of up to $500 per family with net family income under $25,921. This helps to meet the extra costs associated with participating in the work force.

A supplement is provided for parents who choose to remain in the home to raise their pre–school–aged children. This year, the supplement is $213 for each child 6 years old or younger. Assistance for families is also provided through the child care expense deduction.

• (1415)

It recognizes for tax purposes the child care expenses that taxpayers must incur in order to earn income, to attend a recognized educational institution full time or to take a vocational training course.

The deduction acknowledges that these taxpayers have less of a capacity to pay taxes than other taxpayers with an identical income, but who do not have child care expenses. As a result, up to a limit, income used to pay for child care expenses is not taxable.

The deduction is applied to earned income in order to ensure that tax assistance is provided for child care expenses incurred to earn that income.

This reflects the general view that parents not employed outside the home are expected, and indeed have a responsibility, to look after their children.

Bill C–247 would completely change the nature of the current deduction. It would also be prohibitively expensive at a time of fiscal consolidation. As such, we can neither afford, nor should we even entertain, the amendments proposed by the member for Calgary Centre. I therefore urge this House to deny passage of this bill.

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, I rise today to speak to Bill C–247, an Act to amend the Income Tax Act (child care expenses) tabled on May 6, 1994 by the member for Calgary Centre.

The purpose of this bill is to amend the Income Tax Act to allow the deduction of a fixed amount of $5,000 or $3,000 as child care expenses, regardless of the income of the parents and of the amount of child care expenses actually incurred.

The existing statute does not apply to stay at home parents. Only those families whose children attend profit making establishments are allowed the child care expenses deduction.

The bill means that parents can decide how they want their children cared for and deduct a fixed amount of $5,000 for children seven and under and $3,000 for those aged eight to fourteen, regardless of their income and the actual expenses incurred.

Upon initial examination, this bill seems to make sense. However, I would like to have more detailed information on what it will cost, given that the deductions now allowed represent the major part of day care costs for the government. I would also like to know how many families and children would benefit from this bill. The government must manage its resources wisely. Given their scarcity, I would think that priority must be given to women who work.

That being said, statistics show that in 1961, in 65 per cent of families with a child under the age of six, one parent stayed at home. In 1991, this sort of family structure represented only 12 per cent of families. Nowadays, over 70 per cent of pre–school age children attend day care regularly while their parents work.

• (1420)

Child poverty is increasing dramatically. The government's cuts in social programs have further worsened the situation.

In addition, the cost of raising children at home is rising. Who would dare to say that those parents who stay at home are not working? And yet, the monetary value of this work is not recognized.

In this sense, the bill provides a modest financial benefit for families in which one parent stays at home to care for the children. We know that there are very often no more vacancies in day care centres.

The present income tax regime is unfair to single income families. The child care expenses deduction applies only to two–income families, whatever the total. Families may claim a maximum of $5,000 per child, for children less than seven years old, and a $3,000 deduction for children 7 to 14 years old. No deduction is allowed for one–income families because the legislation assumes they have no child care expenses to pay. These are the families who need financial support, particularly single parent families which, in most cases, are mother and children units. Children in those families are the first ones to be struck by poverty.

In our modern world, we can see that, for a great many families, it is vital for the mother to work outside the home. This participation in the workforce is sometimes threatened by the lack of child care services.

Under certain circumstances, women are forced to stay home and that can cause serious problems. These women suffer from isolation and lack of social recognition. Therefore, the government should take the necessary steps to ensure their social and economic equality. Years spent at home caring for children result in a considerable loss of income and great difficulties when reintegrating the labour force.

According to what I have just heard the hon. member for Calgary Centre say, it seems the Reform members support this bill for very old–fashioned reasons. Even though I tend to agree with this bill, I cannot share the philosophy and the line of thought of the hon. member sponsoring it. His objective seems to be to promote a more traditional and conservative view of the family. He would like to see women stay home in greater numbers. I think this would be a move backwards that would profit neither the women themselves, nor society which would no longer benefit from their valuable contribution in important areas.

On the other hand, we must examine this bill in the current context of the government social policy which is very regressive. There is a blatant lack of an overall and fair child care program. And if we consider that a great number of women choose to stay at home to raise their children, the bill proposed by the hon. member for Calgary Centre makes sense, of course, if that is the free choice of these women. Then, the government must respect this choice, recognize the economic value of the work of these women at home and give them this modest financial benefit.

• (1425)

This bill is far from being the ideal solution, but it gives the opportunity to revive the debate on child care.

Our society wants children, but parents who have them and raise them are penalized.

I support this bill only inasmuch as the mother or the couple choose that kind of child care of their own free will. If they do so, they should not be unduly put at a disadvantage by the federal tax system.

Surveys show that the general public supports some kind of government financial assistance to families where one parent stays home to take care of children.

The government and our society should find a comprehensive solution to that problem. I certainly hope the Minister of Human Resources Development will examine this whole issue of assistance to families and particularly children, because it is urgent. The federal government should work hand in hand with the provinces to provide more child care services.

I should add that comparative studies in the United States, Canada, and Europe suggest that it is inadequate and unfair to hand out money to families to pay for child care instead of using tax dollars to fund a child care system, which is probably the way of the future.

In conclusion, I would like to say that, eventually, we should also examine the issue of assistance to families who take care of the elderly, the chronically ill, or the handicapped.

[*English*]

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, I am very pleased to have been asked by my colleague from Port Moody—Coquitlam to present some aspects of our position in the debate on Bill C–247, an act to amend the Income Tax Act relating to child care expenses.

As stated earlier, the purpose of the bill is to amend the Income Tax Act to allow for the deduction of a fixed amount of $5,000 or $3,000 according to the age of the child, regardless of the income of the parents and the amount of child care expenses actually incurred.

The bill allows the deductions to be claimed by one parent, either parent where the child is living with both parents or each parent when the parents are living apart and the child spends some time with both parents. In the case when parents are living apart, the deduction would be split between the two parents according to the amount of time each parent spends with the child. The real purpose of the bill is to allow parents the freedom to choose the method of child care for their children.

Today's economic realities mean that the role of government has to be entirely rethought. Thirty years of more and more government social spending has only produced less and less security for Canadians. We in the House must face the challenge

of turning our welfare state into a secure society which requires a new philosophy of social security.

In discussing the issue of child support payments, it is best to lay out some principles and then determine if the bill adheres to the principles. There are five principles that we should be following in the debate.

The first one would be the self–reliance of Canadians and to recognize the family as the primary caregiver.

The second one would be to empower families, community and charitable organizations to play an increasing role.

The third one would be to focus social spending on the need.

The fourth principle would be to entrust resources and responsibilities to the level of delivery where it is most effective or decentralized.

The fifth would be to reduce spending and limit government spending.

• (1430)

On the first principle we must realize the increasing importance of families and their role in the nurturing of children and the viability of the economy.

Reformers support policies that allow families to be recognized as serving a unique and important role and to be given a choice in the method of child care their children receive.

There is a clear and fundamental philosophical difference between the Liberals and the Reformers on the whole child care and day care debate. Liberals believe in a state run day care and promised $120 million for day care in their red book, which incidentally was not met in the recent budget. This promise was essentially fuelled by special interest forces and would result in increased cost to all taxpayers. It is also an anti–family choice.

Reformers oppose a state run day care. We believe that day care is most efficiently run by the private sector and that government subsidization of day care, the nanny state, is not financially sustainable. In these views we are supported by a majority of Canadians who according to a recent Maclean's poll prefer to raise their children in the home. They also believe that parents must have the right of choice.

The second principle to follow is that a dollar left in the hands of a family is more effective, more efficient and more desired than in government programs. The present child care expense allowance is intrusive. It interferes with parental decision making by discriminating against those with families where one parent stays at home to raise children. The bill would empower families with a real choice.

The third principle is focusing on social spending on need. It may appear that the bill does not focus on need since the bill provides a deduction regardless of the income of the parents. It should be noted that the bill is intended to work within a flat tax system.

The fourth principle is to entrust resources and responsibilities to the level of delivery where they are most efficient and most effective. Under this principle it would be prudent to eliminate the child tax credit and replace it with a tax deduction.

Why should more money be sent to Ottawa, churned through the government bureaucracy and then funnelled back to Canadians? This results in less money being available to those who are really in need.

Under a tax reduction the parents would determine the best use for the money. They could apply it to their own needs. It would make them choose responsibly and they would see the direct result of the money.

The fifth principle the bill addresses is the reduction of government spending because the cost of a tax reduction would be offset by the elimination of the tax credit. The bill would allow parents to stay at home resulting in greater employment opportunities. There would be no need for a national day care program. Savings would also result because funding would be directly to individuals and families and not to institutions and professionals.

In conclusion, the bill recognizes that families are the best hope for a bright future and that healthy families, not dysfunctional types, are a source of strength for future generations.

The bill moves away from the folly of state run day care programs generated by special interest groups that favour government intervention and social engineering. We must rethink our responsibilities and our priorities.

The Acting Speaker (Mr. Kilger): The member for Calgary Centre had given an indication that he wanted a few minutes under right of reply.

The House must understand that no other member can speak after the member closes under right of reply. I hope he can do this in the matter of two to three minutes.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, there are two comments I would like to make, just to wrap up. When we heard from the Parliamentary Secretary to Minister of Finance, basically he said that the program would cost an extra $6.5 billion.

I want it entered into the record that what he is not doing and has failed to recognize in my comments is that this bill would consolidate the current existing programs which add up to slightly over $8 billion and offset the cost of this program. Even if we use $6 billion as the cost, what he has failed to do in his budgetary planning is to recognize that those people who make $30,000 or more get $2.1 billion of the child credit out of that $5.2 billion. We must subtract that from the $6.5 billion.

With the lack of need to spend the $1.4 billion on future day care facilities, given that the present ones would be sufficient to handle the demand for the waiting list of 25,000 people, those would be additional funds that would be available. Although the Liberals now are not going to spend that money, which they promised they would in the red book. It looks like another broken promise from their election trail.

In summary, it is an important mathematical dollar item to consider. We have to consider whether the current system with six different ways of providing child care assistance in this country is sufficient. Is it meeting the needs of the people? My presentation today has shown sufficient cause for the need to address this. It is not sufficient.

There are some solutions. I have offered some. It may not be the total answer, but it offers a solution through consolidation and giving people the choice, helping to put the money in the families' hands and letting them decide how to spend that money. After all, they earned it in the first place. They should know better how to spend it, not the state and not funding institutions.

This government should consider a method of child care support and child care payments in its social engineering and its social package that would truly leave more money available for people. Let them have the choice. Also, reduce the overall cost. Despite what the Parliamentary Secretary to the Minister of Finance said, if we consolidated this plan it would save this country $1 billion.

The Acting Speaker (Mr. Kilger): There being no further members rising for debate, and the motion not being designated as a votable item, the time provided for the consideration of Private Members' Business has now expired. Paper.

Mr. Silye: Mr. Speaker, I rise on a point of order. For those members present in the House, I would like to seek unanimous consent. I know this bill is non–votable and was deemed as such by the subcommittee. However, after due consideration by all members in this House, would the members give unanimous consent to make C–247 votable?

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

Some hon. members: No.

Mr. Silye: Mr. Speaker, I rise on a point of order. I would like to move that the bill be not now read a second time, but because of discriminatory challenges to the Income Tax Act and Parliament's commitment to end child poverty by the year 2000, that the subject matter of the bill be referred to the Standing Committee on Human Resources Development and that accordingly the bill be withdrawn.

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

Some hon. members: No.

The Acting Speaker (Mr. Kilger): Accordingly the order is dropped from the Order Paper. It being 2.40 p.m. the House stands adjourned until Monday, March 13, 1995 at 11 a.m., pursuant to Standing Orders 28 and 24.

(The House adjourned at 2.39 p.m.)

HOUSE OF COMMONS

Monday, March 13, 1995

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

DIVORCE ACT

The House resumed from Friday, November 25, consideration of the motion that Bill C–232, an act to amend the Divorce Act (granting of access to, or custody of, a child to a grandparent), be read the second time and referred to a committee.

The Deputy Speaker: When the matter was previously before the House, the hon. member for Elk Island had the floor. He has seven minutes left in his intervention.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I am delighted to continue my speech. It is the first time that I have had 108 days to contemplate the next sentence in the middle of a speech. I shall carry on. I am not going to waste my time.

We are dealing with a very important matter. It is very important to recognize we are dealing with the lives of real people. Quite often in this place we can sink into a way of thinking and we forget the people behind the rules and laws we are passing.

It is the same when we deal with a budget. The budget affects real people. This is another bill that does the same. It is a bill that deeply affects the lives of people, grandparents in particular but also grandchildren. It also affects the parents.

• (1105)

When I was contemplating what to say next, I decided I would try to put a human face on my remarks. I want to share the importance of the legislation before us concerning the rights of grandparents to have input into the lives of their children's children. Nothing is more precious than this.

I would like to share correspondence I received on this subject. I received a very moving letter after I had participated in the debate last November 25. This letter came from people in Ontario who told a story of how they have been separated from their grandchildren. They simply asked for a measure that will safeguard the vital connection and relationship between grandchildren and grandparents.

We live in a age in which many people are disconnected. Many young people, many children have had their roots ripped away from them for one reason or another. The connection to grandparents is a very important connective root for these people.

This lady said: "For us it is over three years since we have heard from our only grandchildren". I read this letter several days after receiving it. Just as many MPs do, I work on correspondence in the evening and I answered this letter quite late at night. This is what I said: "I am sitting here at 10.25 p.m. miles away from my wife and son in Alberta, my daughter, son–in–law and only grandson in Saskatchewan and half way around the world from another son and daughter–in–law in Rwanda. When I read your letter I detected the pain you must feel. I cannot imagine the hurt you feel when you cannot talk to, cannot touch, cannot hug and spoil your own grandchildren. My family is so precious to me and I am sure that you feel the same about yours". I really felt the pain that evening because the story so touched my heart.

When we contemplate legislation that will grant grandparents reasonable and fair access to their grandchildren, there can be no reasonable doubt in the minds of parents or of the courts, if they are involved, that there is anything detrimental to the children, but only favourable to the children, we then proceed to provide this.

Many people across the country are watching this on television right now. Certainly here in the House we have observers that have been touched by this issue. It is incumbent on us as legislators to do all we can.

I received another letter from this lady after Christmas. She said: "Nothing new has happened regarding news from or about our grandchildren. It was our fourth Christmas of not hearing, despite our sending cards and letters, even by registered mail. We feel so helpless in all this". This is the crux of the matter. There is a helplessness and nowhere to turn for assistance.

We are not asking for anything in this legislation that will be a great hardship on anyone. We are asking for legislation that will grant a point of connection between children and grandparents.

I cannot help but relate this to my own situation. I really cannot tell members how much I really love my little grandson. I might as well tell the whole world that he will soon be having a little brother or sister. It is such a tremendously touching experience for us. We are so privileged to have a wonderful, loving relationship between our children, our son–in–law and our grandchild.

• (1110)

I cannot, for the life of me, see why anyone would put a barrier between children and their grandparents. Therefore we are not dealing here with people who have a normal relationship. That is true for probably 95 per cent of people whose relationships are not torn. As in almost all legislation, we are trying to introduce measures that will accommodate those people where a relationship is broken and there has to be some kind of intervention.

We are asking all members of the House to support the bill. In this way people who cannot reach out and touch and hug their grandchildren will be given at least occasionally the privilege of doing so. We are asking that those parents who would stand between their children and the grandparents to carefully think about what they are doing when they introduce these barriers.

Barring a response from parents we need legislation that would require them to give to some disinterested party, like a court if necessary, their reasons. If there is a valid reason for maintaining the barrier I am sure that the courts would understand. If there is not a valid reason then we believe it is in the best interests of children and grandparents to be able to see each other, to talk to each other, to send and receive letters, to send and receive phone calls in order for them to be able to communicate and to build on their relationship.

In conclusion, we have so many young people in our society who are anchorless. They have had so many disruptions in their lives. Nothing is more solid than a familial relationship between children and parents, between children and grandparents that will give them, on an ongoing basis, a sense of security and belonging.

I urge all members to support the bill. Let us do what is right for the children of our country.

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, 1994 was declared the International Year of the Family. The theme as defined by the United Nations is Family, Resources and Responsibilities in a Changing World.

In making this proclamation, the United Nations outlined some basic principles. The first of these principles is that the family is the basic unit of society and therefore deserves special attention.

The widest possible protection and assistance should be given to families so that they can assume their responsibilities in the community. Another principle is that families take different forms and serve different functions from one country to another and within each country.

This is very important. Changing social and economic conditions are bringing to the fore new issues affecting families, particularly children. One of the realities that cannot be ignored is that many marriages in Canada now end in divorce. A related fact is that many children are directly affected by these divorces although it is difficult to determine the exact number because there is no official information about out of court custody decisions. We know, for example, that in 1990 approximately 34,000 children were involved in divorce cases in which the courts made custody decisions.

From a social policy perspective, this means that Canada's laws, policies and programs should take into account the many diverse needs of families today. More specifically, our laws restricting divorce should reflect our society's changing needs and continue to ensure that the best interests of the children are met. That is why I am pleased to be given the opportunity to comment on Bill C–232 which proposes amending the Divorce Act to promote grandparent access.

• (1115)

I want to start off by saying very clearly that I believe the relationship between grandparent and grandchild is something very special, especially after the parents divorce. Grandparents can be an important resource to children. They can offer care and support and buffer children from the many changes and stresses associated with family breakdown. I therefore agree wholeheartedly with the basic principle that a child's continued contact with grandparents, indeed with all members of the child's extended family, is something that very often is in the best interests of the child.

I emphasize that the best interests of the child test is a standard that has come to be accepted both in Canada and internationally as the appropriate standard to apply with respect to matters relating to children. It means that laws directly affecting children should focus on the needs and best interests of the child rather than on the rights of adults.

In applying this standard it is important to acknowledge the writings of sociologists and psychiatrists on the subject of the effect of divorce on children. Researchers generally agree that the breakdown of the parents' marriage brings about a major crisis in the lives of most children and adolescents. It is an acutely stressful event for a child. Equally important is the fact that researchers also highlight the detrimental effects on children of ongoing conflict and litigation.

There is widespread agreement that the most tragic and clinically vulnerable children are those who become the object of continued acrimonious custody or access battles. It is not difficult to imagine how upsetting such a court battle would be to a child with the stress, uncertainty and loyalty conflicts that

would accompany the litigation and with the child right in the centre. I bring this up because Bill C–232 seeks amendments to the Divorce Act which effectively would provide grandparents with independent standing to apply to the court for access to, or custody of their grandchildren at the same time the grandchildren's parents are getting a divorce.

This bill proposes that grandparents be allowed to make a custody and/or access application under the Divorce Act without being required to obtain leave of the court. Currently under the Divorce Act third parties, including grandparents, must have leave of the court to make an application for custody of or access to any or all children of the marriage. The requirement that grandparents obtain leave of the court to make application ensures that only where the truly serious disputes exist will recourse be made to the courts. In other words, it discourages the use of litigation.

I am concerned that despite its good intentions this bill, which would allow grandparents to make a custody or access application under the Divorce Act as a right, could have the effect of encouraging grandparents to formally apply for court imposed access orders. I realize this is not its primary goal; rather it is an attempt to formally recognize a grandparent's legal right to access. It may however have the unintentional effect of increasing custody and access disputes and promoting litigation. I do not believe that would be in the best interests of children because, as I mentioned earlier, the best interests standard means focusing on the needs of children rather than on the rights of adults.

I want to emphasize that I do appreciate the grandparents' overwhelming desire to ensure that they continue to see their grandchildren. We have to remember however that formal court intervention is not always required and should not be encouraged.

Surely it is preferable to encourage that arrangements for grandparent access be worked out on the basis of trust and co–operation. I believe that in many cases, indeed in the overwhelming majority of cases, regular contact between grandparents and children of a broken marriage can continue without the need for court intervention.

In my view, marriage breakdown is a traumatic personal experience for the parents and children. Children who are already experiencing the distress of a parental divorce do not need to be additionally upset by a courtroom dispute between the parents and grandparents concerning grandparent access rights.

• (1120)

Another important point which should be made is that it should be recognized there are limitations as to what a court order can accomplish and what the law can do to enforce it. It would be ideal if a court order awarding grandparent access could ensure that meaningful access would occur without further problems. Unfortunately this is not the case.

A court cannot order people to change their attitudes, feelings or manner of relating to one another. In reality, attempts to enforce an access order often lead to more conflict and often even more litigation.

As I said earlier, I support wholeheartedly the idea that children should have continued and ongoing contact with their grandparents. However, I fear that Bill C–232 could have the effect of encouraging grandparents to formally apply for court imposed access orders. I do not think that would be in the best interests of a child. I truly believe there are more efficient and less stressful ways to work out post–divorce access arrangements without the need for court intervention.

The law is a blunt instrument. A court imposed judicially enforced order for grandparent access cannot take the place of a relationship that is allowed to occur and develop naturally.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, here we are in the second hour of debate on the bill tabled by my colleague from the Reform Party. The aim of this bill is to amend the Divorce Act, by simplifying the procedure for grandparents to obtain legal custody of their grandchildren.

At the moment, grandparents wishing to obtain custody of their grandchildren must submit an initial application to the courts for leave to debate the legal custody of their grandchildren.

Grandparents are currently treated like any other interested person. All persons other than a spouse must first obtain leave from the court to apply for a custody order. Grandparents have no special status in divorce proceedings, and the aim of a preliminary application is to verify the claims by the grandparents and to decide if it is in the best interest of the child for them to intervene.

Bill C–232 would eliminate the need for grandparents to make this preliminary application and would enable them to become a party to the dispute in the same way as the spouse.

I would first like to say to this House that I am deeply saddened by the number of cases in which grandchildren lose contact with their grandparents following a divorce. Divorce proceedings are extremely stressful, and the break up of the nuclear family is traumatic for children. It can have the effect of altering their personality or behaviour. Children losing contact with their grandparents, in addition, face further hardships.

Children kept from their grandparents by mean parents, who use them to take revenge on one another, become the innocent victims in a form of hostage taking. They become the bargaining

chip of parents whose meanness is matched only by their self–centredness. Nobody wins in this sort of game.

In this light it is therefore easy to understand why my colleague's bill elicits such sympathy. At first glance, it seems to resolve the problem of the additional trauma children must face when their parents divorce. However, despite appearances and its commendable objectives, it creates more problems than it solves.

Let us take a good look at Bill C–232. The proposed amendments aim to make it simpler for grandparents to request custody when parents divorce. In fact, grandparents would no longer be required to obtain leave of the court to present a request for custody of their grandchildren. Bill C–232 amends section 16 of the Divorce Act and places parents and grandparents on the same footing when it comes to custody requests. Six people will be involved from the outset instead of two.

This six–way struggle could become an eight–way or sixteen–way struggle, since the Divorce Act does not define "grandparents".

• (1125)

What about de jure grandparents? Does the term "grandparents" include both biological grandparents and grandparents by right? What about a single mother who marries the father of a child, which she later adopts, and therefore gains a share of parental control? Can the single mother's parents be considered the child's grandparents under the Divorce Act? What about remarriage after a divorce where custody is shared?

Take the example of the parents of Julien and Laurence. These children have four biological grandparents. Their parents divorce. The two parents remarry spouses who each have a child, Isabelle and Christine respectively. Isabelle and Christine each have four biological grandparents. If joint legal custody is given to Julien and Laurence's parents, these children will become part of two reconstituted families.

If one of the new couples divorced, no less than eight grandparents would be able to obtain custody of the children. If both couples divorced, twelve grandparents could be involved, I kid you not. Julien and Laurence's four grandparents could each demand custody of their grandchildren by way of two distinct divorce proceedings. Just imagine the legal wrangling.

If its main goal is to foster relationships between grandparents and their grandchildren, Bill C–232 is ineffective. It simplifies the procedure for grandparents but complicates the issue when both parents retain custody and there is no reason to take it away from them. In fact, with respect to their access to information regarding the education and welfare of the child, grandparents are given more rights at the time of the divorce than during the marriage. It is as though they have acquired parental authority, without the spouses being deprived of it.

The children will be subjected to a more complex dispute involving a greater number of parties. Everyone will make their pitch, claiming to act in the best interests of the child, but it is still the child who suffers.

With respect to parental authority, this is an exclusive power of the provinces under section 92 (13) of the Constitution Act of 1867. This concept of civil law is the prerogative of Quebec.

In granting more rights to grandparents, in interfering with the concept of parental authority at the time of a divorce proceeding, this bill represents an out and out encroachment on the jurisdiction of the provinces. It looks like Bill C–232 is trying to accomplish indirectly what direct action has failed to accomplish.

The common law provinces have no legislation explicitly protecting personal relations between grandchildren and their grandparents. The other provinces have been concerned with protecting the relations between a child and his parents. This is a laudable goal, but it is not enough.

Quebec, on the other hand, has enacted legislation promoting harmonious relations between grandparents and grandchildren. Article 611 of the Civil Code of Quebec allows grandparents who are denied such relations to make an application to the court for a decision on the terms and conditions of their relations with their grandchildren. Such an application can be made at any time. The spouses can be engaged in divorce proceedings or not. The application can be made even if the parents have never been married.

Article 611 of the Civil Code is the real solution to the problems created when there is interference in the personal relations between grandchildren and their grandparents. In Quebec, the recourse of grandparents is clear if the dispute is about a deterioration in harmonious relations attributable to the parents. Notwithstanding its honourable intentions, Bill C–232 is no more than a stopgap solution to the failure of certain provinces to bring in legislation in the area of civil law.

There is another aspect of Bill C–232 that concerns me. Clause 1(2) gives grandparents the right to make inquiries, and to be given information, as to the health, education and welfare of the child.

• (1130)

If this amendment was made to the Divorce Act, the grandparents of children of divorced parents would have the right to be given information that the grandparents of children of non–divorced parents cannot obtain.

Furthermore—and we think this is very serious—section 1(2) of the bill directly encroaches on Quebec's jurisdiction over the protection of medical and school information. Quebec already has its own Act Respecting Access to Documents Held by Public Bodies and the Protection of Personal Information.

Following her consultations with legal experts, my Reform colleague admitted in this House on November 25, 1994 that this provision of the bill, and I quote: "—may also contravene privacy acts or rights of the child—"

She went on to say: "Therefore while procedurally it cannot be removed at this time, I trust when the bill gets to committee this clause can be deleted".

I must congratulate my colleague on her honesty. She admits she was wrong about the impact of her bill and tries to compensate by hoping that the Standing Committee on Justice can improve it. Unfortunately, it is not Bill C–232's only shortcoming. I cannot support a flawed bill.

In closing, I wish to reiterate my position on the fate of children whose parents are divorcing. I find it appalling to see some parents relentlessly prolonging the suffering of the young victims of such circumstances.

The governments of common law provinces should make laws facilitating relations between grandchildren and their grandparents, as was done in Quebec, which is a pioneer in family rights.

[*English*]

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I am pleased to address this bill today. I would first like to acknowledge the presence in the gallery of many grandparents. I welcome them here. These are people interested in this issue and I encourage them to listen and to work with us as we look to this legislation.

I also recognize their contribution, especially as seniors or grandparents in our society, to the past, the present and hopefully the future of this country.

Bill C–232 addresses the issue of granting access and custody to grandparents. This is a very real issue in our society. There are a growing number of grandparents and a growing complexity of marriage breakdowns and blended families within society.

As chair of the family task force of our party, we have done a fair amount of work looking at families and the importance of families in society. In that process we have determined a definition of family that we are using as a benchmark, those individuals related by ties of blood, marriage or adoption, where marriage is the union of a man and a woman as recognised by the state. It very much includes relations of blood, which means that grandparents are an important part of family and should remain so.

I will illustrate something that happened this week within my riding. We have a unique French community, one of the original French communities in British Columbia. It was established with the logging industry on the banks of the Fraser River at the turn of the century.

It was a thriving community, a mill town, called Maillardville. Every year we have the festival du bois which recognizes the importance of that in our community. This year there was a rededication of the original Millside school. It has been renovated and changed with the changing neighbourhood.

I talked with seniors, many of them watching with pride as being part of this community. In that crowd there were also second and third generation people, seniors who had attended that school in the 1920s. It was a French community of people who had shared in that community throughout their lives and watched their children and grandchildren raised there.

• (1135)

Through them and through their activity within their families, they have managed to maintain the language, the culture, the knowledge and the pride of their heritage, the sense of belonging in and around their community, the sense of history, the values they share and a sense of permanence within their families in this changing world.

There was an understanding between those generations. It was not an externally imposed understanding but an internally shared understanding between the members of families.

Is that typical in our society? Unfortunately it probably is not. We have had changes because of the tremendous new pressures in this society. Seventy–five per cent of mothers of school aged children now have full or part time work which keeps them out of the home. The average number of working hours in the 1950s was 48 in order to earn an average family income.

Today an average family income requires two people on average working 65 to 75 hours every week. The stress on families is tremendous. Therefore, as we have heard today, there is a high incidence of divorce and separation within families. With that comes the stress, the uncertainty, the conflicting loyalties, et cetera, that we have heard.

It is interesting that we have the same number of husband–wife households now as we had in the 1940s. Eighty–seven per cent of households are husband, wife and children. However, many of those households are second and third marriages or blended family units.

We do have single parent families in our communities which are very much a reality. The term single parent family denies that a family had two parents at one point and four parents at some point related by blood. Single parents should not be deemed as alone and isolated in our society. There are relations and support within society for them.

There are the factors of immigration and the mobility of families across the country. These put further stresses on ties of

blood but these separations are not as complicated by the tensions that we find in family break–up situations.

Death, separation and divorce are three real factors of our society and they all lead very much to the breakdown of fundamental family ties. What we are asking today is what we can do about it.

In this Chamber we should be asking about the government's role in doing something about this very real problem in our society. This Chamber recognizes in many ways that one of its primary responsibilities in society is to recognize the importance of heritage.

We hear in eloquent speeches the importance of heritage for our native peoples. We hear the importance of heritage for our visible minorities and our many cultures. However, I would like to see what the importance of heritage is in our laws for Canadians generally.

In family law there is an overlap between provincial and federal jurisdictions. Provincial law dictates what happens within relationships when a parent dies or when there is abuse within the family or when parents separate.

In B.C. when those situations come into the legal process, grandparents may be granted access by application to the courts on the same basis as anyone else. Within that province, as in most provinces, there is no recognition or privilege of any kind by the state given to a blood relationship outside of parenthood. There is a presumption that perhaps the court will make this decision but in law there is no recognition of that blood tie.

What we are looking at today is part of the Divorce Act. Forty per cent of grandparents who have access problems fall under the Divorce Act legislation. Anyone, blood or otherwise, can apply for access, and all non–parents must be given permission by the court to have that access. A parent comes into that situation with same status or same right of access as a bus driver or a neighbour. Their status in law is the same.

• (1140)

We have just come through the International Year of the Family. There are a couple of publications from that period, "A Focus on Canada: Families in Canada" and a look at the statistics in our society, "The State of the Family in Canada". These were extensive studies that looked at Canadian families. They made reference to care of the elderly, reference to relative care, divorces and marriage. There was no mention made of grandparents in Canadian families.

This is in contrast to the fact that within those studies it was pointed out that the most common choice of child care in Canadian homes was by a relative in the relative's home or a relative in the child's home. Grandparents probably made up a large proportion of that. They are a very important part of what is happening in our society and yet they are not recognized as such.

In aboriginal communities blood ties are recognized for many generations, not only one or two. It is only within the last few years that our immigration laws have been changed to not include grandparents.

As a legislative body we have recognized the importance of blood connections through multigenerations in other cultures. What have we done in the Canadian population? We have recognized child care by grandparents in unspecified statistics. They are disguised in a general statistic.

The recognition of rights of access in the laws both federally and provincially is no different than those for any non–parent or any person in society other than the parents.

I have discovered that within tax laws and support in foster care in the provincial jurisdiction, strangers have more support than grandparents when the state mandates the care of a child. Grandparents have been marginalized in our society.

This morning I heard about the rights of the child and the rights of the parent and even the rights the grandparent. What do we do when these things conflict? It is time the government recognizes the importance of family, not multiculturalism or state run day care or even government programs, but looking at what creates a strong society. Strong families create a strong society. Strong families create strong cultural ties. Strong families create a just society. Strong families create a strong economy. A child's best interests are society's best interests because that child is going to grow up in that society.

One step is to recognize the rights of access by grandparents in law and the right of inquiry as to the well–being of their grandchildren and their right to know about their health, education and general welfare. Bill C–232 is the right step in the direction to empower families and underline their importance in our challenging and increasingly difficult role.

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, it is my pleasure to address this House regarding Bill C–232, an act to amend the Divorce Act proposed by the hon. member for Mission—Coquitlam.

This bill attempts to address the needs of many concerned, frustrated and in many cases emotionally distraught grandparents who wish to have, according to their perceptions, a more sustainable and meaningful relationship with their grandchildren.

This bill contains two main amendments to the Divorce Act of 1986. The first aim is to eliminate the need for grandparents to obtain leave of the court when making a formal application for access or custody of their grandchildren. The second area of emphasis is within the granting of rights to grandparents to

make inquiries and to be given information on the health, education and welfare of the child or children.

• (1145)

Many people feel that these two amendments to the Divorce Act are long overdue and that many problems would be resolved. The problems to which I refer are those created by divorces, separations, the early death of one of the spouses or any other cause that results in grandparents being denied access to their grandchildren. In any one of these stressful situations the suffering of the child may be more devastating over a lengthy period of time than that endured by any given adult involved.

In many cases the grandparents, provided they are loving, nurturing types, can provide a sense of stability, security and comfort for the bewildered children. This is exactly what happens in many cases.

However, as the number of failed marriages increases, so do the number of court custody cases. My colleague from Hamilton Mountain has already informed us that in 1990 approximately 34,000 children were involved in divorce cases in which the courts made custody decisions. Many more go through varying degrees of distress as custodial care is decided mutually outside the courts.

In my community I have anxious grandparents who have no confirmed knowledge of the whereabouts of their grandchildren. This happens when a spouse passes away and the remaining nurturing parent moves to another community. It is also a common occurrence in separation cases in which the custodial parent moves away from grandparents. Such situations should not exist.

In most cases the court may order the custodial person to notify any person granted access to the child of a change of address at least 30 days before the change. There may be many reasons for strained relationships between parent and grandparent that are child centred. Often a dominant grandparent may incessantly try to impose his or her value system, customs, behavioural codes, et cetera, on the grandchild. This results in a pattern of ongoing confrontation between the adults with the suffering child squeezed between them.

In all such cases the child is the victim no matter how honourable the adult intentions may be. Although there are many factors causing the aforementioned disturbing situation, and even though we are aware of the potential harm to the children concerned, we must not endorse knee–jerk legislation that fails to address the issue in a rational and thoughtful manner.

It is important to note that presently grandparents are not by any means prevented from obtaining court orders that give them access to their grandchildren. Existing legislation pertaining to the access of grandparents contained in the Divorce Act, 1986, states in subsection 16(1):

> A court of competent jurisdiction may on application by either or both spouses or by any other person make an order respecting the custody of or the access to any or all children of the marriage.

Subsection (3) states:

> A person other than a spouse may not make an application under section 1 or 2 without leave of the court.

The intention of the amendments is an attempt to formally recognize a grandparent's legal right to access. Such a right without some screening process would result in a flood of custody and access disputes and wealthier lawyers.

Supporters of the amendments should be aware of the limitations on what a court order can accomplish and what the law can do to enforce it. It has already been stated that a court order cannot order people to change their attitudes, feelings, or how they relate to one another. Certain personality types will always be in conflict with each other because of certain personality traits and characteristics. In reality attempts to enforce an access order often lead to more conflict and litigation.

It is paramount to keep in mind that all legitimate and credible claims for access or custody have and will continue to have access to the courts, providing they are credible in nature. In this context a credible or legitimate case refers to claims wherein a close relationship between the kids and the grandparents existed for a significant period of time and a truly serious dispute exists between the grandparents and the spouse in custody of the children.

• (1150)

Presently every claim must undergo a screening process to ensure its legitimacy prior to gaining admission to the courts. The provision ensures that unnecessary and unwarranted litigation is avoided, thus saving Canadians vast amounts of money.

We also need the check to ensure that grandparents who are overly intrusive and controlling do not interfere unduly with the parental responsibility of the parents in question. Opening the door for harassment of parents will not benefit children in any way, shape or form.

Another important caveat pertains to the second major proposal in Bill C–232 whereby private information regarding the children is granted to those who have been awarded access. If it becomes a reality, we would have created a very unfair scenario, one in which grandparents from within divorced families would have access to confidential information while grandparents of intact families would not be granted the privilege.

When grandparents strongly believe the child is being neglected or abused there are other avenues of proper and acceptable action available in Canada. For example, family service centres, the Children Aid Society or the police can be asked to assist in a process of protecting the child's welfare.

As a grandparent I am truly blessed for my wife and I have unconditional access to the loving relationship of four wonderful grandchildren. We can only imagine the pain that some grandparents must endure who have been denied access to their grandchildren.

In our case our oldest daughter is divorced. With open arms, we welcomed her and her three children to live with us. The joy of witnessing each unfolding stage of development is indescribable. The meaning of family continually evolves as three generations share the solving of problems, resources and time and do our best in respecting and honouring each other's needs.

The amendments presented in Bill C–232 are directionally correct. I bring to the attention of colleagues the case of the death of a parent or parents, parental abuses, and even personality conflict between parents and grandparents. The rights of grandparents are governed by provincial laws that can vary widely.

In British Columbia grandparents can apply for access under the family relations act. Alberta has no legal recourse for excluded grandparents. Quebec and only Quebec has enshrined the rights of grandparents in family law since 1981.

The use of courts is a lengthy and very costly process. It is obvious that provincial and federal governments must co–operatively harmonize family laws and the Divorce Act to bring grandparents into a loving relationship with their grandchildren.

For the sake of all those concerned, may co–operative effort result in positive directives as quickly as possible thus avoiding unnecessary costly litigation and unwarranted intrusion into the lives of parents, grandparents and grandchildren.

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, this is a piece of legislation that I look upon as an opportunity for the House of Commons to co–operate.

I listened to members opposite say that the bill is directionally correct. I have also listened to the bill being called knee–jerk legislation. Somehow, when I heard that term, my heart fell a little because it did not sound to me like a bill that was likely to get a co–operative view from all parties.

I would like to talk about the family in a general sense. Is the family in Canada under siege? We are treating families poorly.

There are popular myths about Canada and the family today. Popular myths say that most people prefer looser family arrangements than the old–time family ones. There are popular myths that say divorce does not really have that big an effect on children and that alternative lifestyles compete very nicely with the traditional family.

• (1155)

Another myth is that the one parent working and one parent at home model of family is old fashioned, out of date and somewhat demeaning to the partner who is left at home. Another says that day care is a really good or almost better substitute than care in the home.

I would like to explore the myths in very straightforward terms. First, 70 per cent of Canadians feel the traditional family is the best way to raise children. A very recent poll says that the popular myth that other forms of family recognition are as good is just not true.

The second myth is that divorce has minimal effect on children. As a counsellor I have seen the effect divorce has on children. Children are far more likely to blame themselves in the event of divorce. There is almost universally increased poverty after a family splits up. Interestingly enough children from divorced families are more commonly involved in divorce when they become adults.

Are alternate lifestyles as good as the traditional family? Alternate lifestyles are neither happy nor healthy. They often recruit youth to that end. Who could possibly recruit youth to an unhappy, unhealthy lifestyle? I could not. The traditional family produces the most stable, well adjusted, law–abiding citizens from all socioeconomic groups.

On the myth that day care is as good as normal family care, a meta–analysis of the issue was done. How does day care fare under the age of five? This meta–analysis compared different areas of childhood development: cognitive or in other words how smart kids were, social, emotional, behavioural and attachment to other individuals. This is summation of the results. It found that infants and young children who received substantial non–maternal care, that is care greater than 25 hours per week, were affected socially, emotionally, behaviourally and in terms of attachment to the mom. On all four counts the children were affected negatively.

New data coming to light indicates that day care outside the home is not as good as care in the home. The data is not coming from wackos. It is coming from individuals looking at data from the U.S., Canada, Sweden; all over the world.

As legislators how do we treat the family? As I sit in the Chamber a novice politician I try to look at how we treat the family. Divorce is pretty easy in Canada. We have poor maintenance agreements so a dad can disappear and not look after children he has sired.

We make welfare very easy for single moms to access. Our attitude as legislators seems to be that the state can provide whatever might be missing if the family breaks down. However, if the extended family is willing, able and capable to take up the slack, if grandparents are available, willing and able to take up the slack, we say line up. Line up behind whom? Line up behind social workers, line up behind family counsellors, line up

behind lawyers and line up behind judges. The significant bond that exists must line up. As a legislator I think that is wrong.

I looked at the bill and said that it could well push a veritable army of bureaucrats and people who are not concerned about the child into the background and bring grandparents to where they rightfully belong in the foreground for the best wishes of the child.

• (1200)

This is the opportunity in my view. A non-partisan private member's bill is available for an open, free vote in the House of Commons. It is not a good enough bill, I have heard a couple of people say it could be improved. Let us go to committee with this bill. Let us improve it, let us pass it and let us bring the grandparents to where they belong, in line with their grandchildren.

The Deputy Speaker: The hon. member for Macleod will have three minutes if he wishes the next time the matter comes up for debate.

The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96, the item is dropped to the bottom of the order of precedence on the Order Paper.

GOVERNMENT ORDERS

[*English*]

FIREARMS ACT

The House resumed from February 27 consideration of the motion that Bill C-68, an act respecting firearms and other weapons, be read the second time and referred to a committee.

SPEAKER'S RULING

The Deputy Speaker: Colleagues, on February 27 the hon. member for Yorkton—Melville sought to move an amendment to the motion for second reading of Bill C-68, an act respecting firearms and other weapons.

A question was raised regarding the procedural acceptability of the proposed amendment. The Chair heard arguments from the hon. member for Glengarry—Prescott—Russell, who is the government whip, and the hon. House leader for the Reform Party before reserving his decision. The Chair wishes to thank those hon. members for their helpful comments.

[*Translation*]

The proposed amendment, is asking the House not to proceed with the second reading of Bill C-68 on the grounds that its provisions link the licensing and registration of firearms with the creation of offences relating to firearms. This kind of amendment is known as a reasoned amendment.

The honourable Chief Government Whip argued that this motion was out of order as a reasoned amendment because it was not opposed to the principles of the Bill. However, Speaker Lamoureux, in a ruling on August 30, 1966, noted that opposition to the principles of a bill is, and I quote:

> only one of the several possible forms of a reasoned amendment.

[*English*]

Speaker Lamoureux pointed out that several forms of reasoned amendment were listed in May's *Parliamentary Practice*, 17th edition, at page 527 and that May indicated only that a reasoned amendment "may be declaratory of some principle adverse to, or differing from, the principles, policy or provisions of a bill".

Indeed, one of the other forms of reasoned amendment listed is that it "may express opinions as to any circumstances connected with the introduction or prosecution of the bill, or otherwise opposed to its progress".

Finally, Speaker Lamoureux cited Abraham and Hawtrey's *Parliamentary Dictionary*, which states in very clear terms what a reasoned amendment is. It reads at page 162 as follows:

> This form of amendment seeks—either to give reasons why the house declines to give a second or third reading to the bill, or to express an opinion with regard to its subject matter or to the policy which the bill is intended to fulfil.

The Chair finds, after careful consideration, that the proposed amendment respects the definition offered in Abraham and Hawtrey and one of the forms listed in May, and further that it follows a long line of similar amendments presented in this House which have expressed an opinion regarding the policy or the provisions contained in a bill. Consequently, the Chair rules the amendment in order.

MOTION IN AMENDMENT

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.) moved:

> That the motion be amended by deleting all the words after the word "that" and substituting the following therefor:
>
> This House declines to give second reading to Bill C-68, an act respecting firearms and other weapons, because the principle of establishing a system for licensing and registration of all firearms and the principle of creating a variety of offences are two unrelated issues that should be addressed separately.

The Acting Speaker (Mrs. Maheu): When Bill C-68 was last before the House the hon. member for Jonquière had 17 minutes remaining.

[*Translation*]

Mr. André Caron (Jonquière, BQ): Madam Speaker, I am pleased to continue my remarks on Bill C-68.

• (1205)

When I spoke on this bill previously, I said straight away that I agree with the principle of gun control and that, on the whole, I support the justice minister's bill. Later, I will raise specific

concerns I feel my party should address in a parliamentary committee.

I was somewhat surprised with the type of debate that took place in this House around the gun control issue. I heard some speakers mention individual freedoms. Some spoke of the right for every Canadian citizen to own firearms. Others perceived the proposed measures as unjustified government interference in people's private lives.

To some extent, we are having a societal debate here. Many representations were made and many letters were sent to my office by Canadian citizens who oppose this legislation. I read almost all of them to have a good idea of what the problem is.

I think that this debate is about looking at society differently. It is a matter of individual freedom against public interest. No one in Canada, I think, opposes the right of the government to control firearms, to ensure that anyone who owns weapons, handguns in particular, be identified and be required to justify requesting permission to own such weapons. The problem right now is with the registration of firearms which are hunting weapons.

Some say: "I am an honest citizen and I am not going to cause problems for others with my firearms. Consequently, I do not see why the government wants to know if I own such firearms and determine whether I am allowed to do so". Those who use that argument forget something important, namely that our society—we are not talking here about American society in the 19th century, but about society in Canada and Quebec in 1995—has changed. Customs have changed, as well as the concept of community life, and I believe that one of the main thrusts right now is that society is opposed to violence.

Society is opposed to violence against women and children. Actions which were condoned 25 or 30 years ago are now being denounced and can trigger criminal proceedings. Society tells us, legislators, to control violence. If violence can sometimes show itself in such brutal and damaging ways, it is because some people are armed. It goes without saying that the vast majority, maybe 99 per cent, of those who own firearms will not commit violent crimes. This control which we want to implement over firearms may deter only a small number of people from misusing their firearms, or from using them with bad intentions.

But I want to make it clear that, in my opinion, this bill is a message. It is a message which society is sending to itself. It is society which no longer wants to live in a climate of violence, which wants peace and safe streets, and which wants to make sure that, if a neighbour, a person across the street or those people whom one meets in one's daily activities are armed, they will have had to state that they own firearms.

• (1210)

Owning a gun does not necessarily mean a person is violent, but society tells us that it wants to know who has guns, so that the message is clear. To own a gun is, in a way, a right, but there is also a duty involved. Guns must be used carefully, so that no one is ever at risk.

That being said, I think it is important to adopt the kind of bill before us today, even if it means curtailing certain individual freedoms. I think that, to a certain extent, society is ready for this bill.

Some aspects of the bill are not entirely satisfactory, however. Before my time expires, I would like to comment on these aspects. There is the matter of prison sentences. The bill provides for a minimum prison sentence of four years for serious crimes committed with firearms. The bill also contains several provisions that would increase prison sentences for individuals convicted of contravening this legislation, once it is passed.

I question the use of prison sentences and their effectiveness. The other day, I read in the paper that Canada ranks third among a number of western countries for the number of persons incarcerated per population of 100,000. Countries like Germany, France or the Netherlands have incarceration rates that are lower than Canada's. There is no indication, however, in the newspapers or in reports on the subject, that in these countries violence has greater impact or that people are not as safe as in other countries where incarceration is the measure of choice to control crime.

Incidentally, the two countries where incarceration is used most often are Russia and the United States. The United States has opted for incarceration as a way of exercising social control, as a way of controlling crime. If we look at what is happening in the United States, we do not get the impression that American society is less violent or less dangerous than German or French society.

I think that incarceration is not the right way to deal with the crime rate, and that is why I question some provisions of the bill that seem to reflect this emphasis on the deterrent effect of more severe prison sentences. There may be other ways to approach this problem. This is a very complex issue, and I think my party should raise it in committee.

There is also the matter of sentencing. It is said that judges do not have enough leeway. The minimum sentence is too high to allow sufficiently for the circumstances involved. I think judges should be allowed greater flexibility in setting the minimum sentence. Obviously, when a crime is committed with a firearm, this is an aggravating circumstance. However, there are situations where a judge may have to penalize individuals because under the law, he must determine a minimum period of incarceration. This does not mean justice will necessarily be served in every case.

• (1215)

There is also the time frame. This is important in connection with the requirement to register a weapon and license it. If we add up all the possible time periods, and take into account the number of people currently owning firearms, we are talking about a period of almost seven years.

Obviously, enough time must be allowed for the appropriate administrative measures to be taken to ensure an effective registration and licensing system is in place. However, I think seven years is a lot. This is a very long time, in view of the urgency of the situation and the value of the firearms control measure of registration. It would be preferable to shorten the time period so that people with firearms could take note of their responsibilities and register their weapons as quickly as possible.

There is also the whole matter of costs. There are fairly low fees for registration and there are fees for licensing, which is renewable every five years. I think many people who opposed mandatory registration of firearms mentioned that significant amounts would be involved. Of course, if we add everything up, we arrive at a figure of perhaps several tens of millions of dollars. Not a mind boggling figure, but a reasonable amount, to some extent.

Clearly, if we could lower the administrative costs of licensing and registration, it would be easier on people who have to keep an eye on their spending. But I do not think that the $50 or $60 fee currently provided for under the proposed regulation is high enough to prevent people who would like to own guns from assuming their responsibilities and from registering them, a measure designed to let society know who is armed.

There is another aspect. Some categories of guns—for example the infamous AK–47—will remain in the hands of their present owners. In my opinion, these kinds of weapons have no place in a democratic and free country. They have a history in several countries. They have served all sorts of purposes, not always noble. I think it would have been appropriate for the minister to immediately recall these weapons.

Those are the main points I wanted to make about this bill, which is legitimate in a free and democratic society. In a society favouring non–violent values, it is important to know who owns firearms, because they increase carnage when violence breaks out. As well they are a symbol of violence.

These days, no one can walk the streets with a gun without alarming citizens. This was not the case 30 years ago. In my own town, which was closer to a medium size town than a small town, I recall that, at 17 or 18 years of age, we went through town carrying our .22 calibre rifles to go target shooting in the fields. People did not make a fuss because most of them knew each other and knew who was who. They did not think we were violent. Nobody worried about it. But now, no one can walk the streets of my town, Jonquière, with a .22 rifle without the police hearing about it.

• (1220)

In my opinion, this indicates a shift in society's values and I believe that the time has come for us in Quebec and in Canada to know who is armed, who owns guns, and why, so that people become fully aware of their responsibilities as gun owners.

[*English*]

Mr. Jay Hill (Prince George—Peace River, Ref.): Madam Speaker, I listened to my hon. colleague's speech on Bill C–68 with great interest, recognizing that the great thing about this Chamber is that we hold a wide divergence of opinion on controversial subjects such as gun control. I do respect his opinions.

However, I want to raise a couple of issues brought out in his presentation. He said we will not solve the problems of crime through imprisonment and that he is therefore opposed or has some difficulty with the more stringent and tougher measures in Bill C–68 on the criminal misuse and abuse of firearms.

He is opposed to deterrence through longer prison sentences. He mentioned there are better ways to deal with this than prison sentences. As is so typical when we debate bills, the Bloc fails to mention better ways. It consistently criticizes but does not bring forward any constructive criticism in the form of viable options.

For years we have tried to rehabilitate some of these violent offenders but basically there are those in society for which rehabilitation simply does not work. That is proven time and time again by the high incidence of repeat offenders. Some of our most violent and horrendous crimes are committed by people who have already served prison sentences and have been let out on early parole only to recommit.

Since the member raised the issue that there are better ways than longer prison sentences to combat crime and the criminal misuse of firearms, what are those better ways?

We are now debating the motion put forward by my hon. colleague from the Reform Party to split the bill in two. It was unclear from the member's presentation whether he is in favour of splitting the bill in two.

Reform feels there are two separate issues in the bill. One is more restrictions on law–abiding gun owners with the minister's firearms act and the second is more amendments to section 3 of the Criminal Code which deals with the criminal misuse of firearms which we feel are two separate issues.

I wonder if the member could enlighten the Chamber as to what his feelings are on splitting the bill.

[*Translation*]

Mr. Caron: Madam Speaker, I thank my colleague for his question. With respect to the matter of imprisonment, I, of course, am not advocating that prisons be abolished or shut down. I do think, however, that the bill puts a little too much emphasis on imprisonment as a solution.

We may, for example, wonder why there are 49 inmates per 100,000 people in the Netherlands, compared to 116 in Canada and 519 in the U.S. I do not think that violence is commonplace in the Netherlands. I think that some societies do not see jail terms as a deterrent in the same way as we do in Canada and the U.S.

The question I ask myself about this bill is whether the proposed solution of systematically increasing jail terms for crimes committed with firearms is effective.

• (1225)

My colleague's second question deals with Reform's amendment to split the bill in two and make a distinction between hunting rifles owned by ordinary, law–abiding citizens, as my colleague would say, and handguns more often used in committing crimes.

I think there is no reason to make such a distinction because, in my opinion, a firearm is a firearm. A misused firearm can cause definite, serious harm to people. It does not matter whether one gets shot with a 12 gauge shotgun, a hunting rifle or a pistol. I think that, in our society, it is important that all those who have the power to harm others with their firearms be aware of this responsibility and let society know that they have this potential power.

Although these people will not, of course, misuse their firearms, that is still a possibility. There is no reason to make a distinction between presumably law–abiding citizens—and I agree that they are—and less respectable people who own handguns or other types of firearms. I do not think that a distinction should be made.

In my opinion, some handguns should be completely banned or recalled, even if they are collector's items, because they are potentially dangerous.

I do not see how it would be prejudicial to a citizen to register his hunting rifles. Many things are registered. Many of our possessions are registered and I do not think this violates anyone's rights.

I will not vote for the amendment put forward by my Reform colleague because I do not think it should be adopted. In my opinion, all weapons are potentially dangerous and their owners should be aware of this. One way to make them aware of this is to require them to let society know that they own firearms and will live up to their responsibility to use them properly.

[*English*]

Mr. Myron Thompson (Wild Rose, Ref.): Madam Speaker, there are laws that presently exist for people who are negligent in the use of firearms. There are laws on the books that should be enforced and in some cases are.

After 61 years of registration of handguns, today one can get a handgun in the right bars across the whole country; there are even rent–a–guns. It is running rampant and the registration has failed to do anything.

Can the member please explain to me how spending another million or billion dollars, whatever it takes to register shotguns and rifles, is going to make one iota of difference when it has not made any difference in the past.

[*Translation*]

Mr. Caron: Let there be no misunderstanding, Madam Speaker. I believe that this bill is a message that society is sending to itself. It is citizens saying to each other that they want to live in a non–violent environment, in a less violent environment. They are saying that it is not good, that it is not acceptable in our society to possess firearms, to be able, as my colleague pointed out, to go to a bar and buy a handgun, something that I personally have never done, but that it seems is possible.

In addition to its practical effectiveness in controlling firearms, the bill that we are examining is symbolic, it is a message that society is sending to itself. It is not insignificant that hundreds of thousands of people have signed petitions calling for better control of firearms in Canada. There is a problem, contrary to what my colleague is implying in his question.

• (1230)

[*English*]

The Acting Speaker (Mrs. Maheu): We will resume debate. We are now at 10–minute speeches only, no questions and comments.

Mr. Brent St. Denis (Algoma, Lib.): Madam Speaker, it is a pleasure for me to speak at second reading of Bill C–68, the Firearms Act.

My preparations for this began earlier last year but most seriously last fall with the tabling of the initial proposals in late November. Quite frankly I was really surprised at the degree and depth of response from my constituency. I represent the riding of Algoma in northern Ontario where we have a long tradition of hunting, target shooting, recreational uses of firearms and other reasons for having firearms.

I was surprised at how deep and emotional the response was to the issue. I have had a chance to meet with over 1,000 legitimate gun owners over the last few months and have received letters and phone calls from over 1,000 gun owners and have met many

of them in groups and in private. I must emphasize that legitimate owners and users of firearms are law–abiding citizens who respect the law, who want the same kind of country that people in the cities want, a country that is safe for everybody.

I have to admit they make a good point when they say to me: "How do these new laws help the country become safer? How do these new laws not become a punishment for us?" We owe it to the legitimate gun–owning community to explain to them clearly, to provide them with details which indicate that they are not the victims in the situation but are partners with all Canadians in trying to make our country safer.

We have a way to go yet in providing full explanations. I am very hopeful that through the committee process, through this debate and future debates that many of these concerns will be addressed.

I have told the gun–owning community over and over again that I believe in parliamentary process. I believe that appropriate measures with respect to firearms control can be taken that respect the needs of rural and urban Canadians.

The balance between rural and urban Canada is difficult to find at the best of times but this is an instance where we must work together to find the balance. The primary purpose of my job with respect to Bill C–68 is to help my urban colleagues, urban members to understand better the needs of rural Canadians with respect to firearms legislation.

The issue is not really a partisan issue because it seems to cut urban–rural in all parties. At the same time, I do not want it to become a split between urban and rural Canada. It is an opportunity through the parliamentary process for both rural and urban Canadians to understand better the needs of the other.

It is incumbent on us to listen carefully to rural Canadians, those who legitimately use firearms, that they not become the target of this legislation. They must become partners. I look forward through this process to bringing forward ideas, amendments, proposals that will hopefully address these concerns. I will be seeking the co–operation of urban members in this regard.

I believe deeply that the minister has been listening to rural members, as he listens today. I believe we can, with good judgment, find solutions to this matter that will be helpful to all, including myself, a member representing a rural area. That is not to say all of my constituents are in favour of not doing something about gun control. I have constituents that are in favour of these measures. It cuts both ways. In my efforts to represent my constituents, I must remember that both sides are represented in my communities.

• (1235)

I have some serious concerns with Bill C–68 that I will raise through the committee process and at third reading. I have invited my constituents, to the extent that they can, to participate in the process with me. I have guaranteed them my commitment to carry forward their concerns.

To start with, I would like to specifically talk about gun registration. My constituents have many concerns and worries when they have before them a plan to register their firearms. They worry that this will lead to the eventual confiscation of their firearms, particularly their long guns. They worry that the registration system will be an insecure information system to which criminals and others will have access, information concerning the firearms they possess.

They worry about the cost, to themselves as individuals and the cost to the country. They worry that the system will be cumbersome and that they will have to jump through hoops. They worry about privacy. The fact that they own firearms is a matter private to them and their families.

They wonder what impact registration will have on family violence and what impact it will have on the criminal element in our society.

We owe it to the legal gun–owning community to explain their concerns item by item. I do not believe we have adequately done that. We have an opportunity in the weeks and months ahead to do it. As I have in the past I will call on my colleague, the Attorney General, to help with those explanations.

Rather than go into the details of some of the things that I would like to see changed here, I will communicate with my constituents item by item as these matters come up. In view of the limitation of time, I wish to say that I have faith in the parliamentary process. I owe it to my constituents, not only on this issue but all issues to bring forward a balanced point of view.

I have tried to convince my constituents, the gun–owning community in my riding, that we have an opportunity with Bill C–68. I know many of them are upset. Much misinformation is out there but we have an opportunity here to correct some of the problems with existing legislation and to develop a system that hopefully will mean this is the last time we have to debate gun control in Parliament.

If we do a good job now as parliamentarians, if we do a good job listening to our constituents, and if the committee is prepared to listen and respond, as I am sure it will, then we can finally put this to rest.

As we have seen with the leadership in our budget, by the leadership of the government on the east coast and in many others areas, including measures that the Attorney General is

dealing with in terms of high risk offenders, we too can respond to Canadians and come up with a solution that will be satisfactory. It may not be to everybody but it will to most.

In conclusion, I would like to acknowledge that at this very moment one of my constituents, John Rochon from Elliot Lake, is now in Argentina at the Pan American games. He is one of our shooters. He is a past medalist for our country and I wish him well. His wife, Donna, is at home waiting for news of progress in Argentina. It is people like John Rochon that are exemplary.

Lionel Houle is an elderly gentleman in Massey, Ontario who came to me with concerns about passing on his guns to his children. It is people like that who have convinced me that the gun–owning community in Canada deserves our respect, deserves to know that we care about their point of view. They are prepared to partner with urban Canadians to put this issue to rest once and for all and to obtain a solution that is effective for the entire country.

• (1240)

Mr. Bob Mills (Red Deer, Ref.): Madam Speaker, it my pleasure to speak on the motion my colleague for Yorkton—Melville has put forward.

The motion recognizes the problems with Bill C–68 and the fact that the bill deals with two distinct areas: crime control, which everyone supports; and a repressive gun control scheme which will cost hundreds of millions of dollars, will not reduce crime and will turn thousands of Canadians into criminals for simply not registering their guns properly.

It is vitally important that the House legislates clearly and supports only those bills which deal effectively and efficiently with the problems of the country. The justice minister could have brought forward this kind of bill, but he put the two issues together. He knew that Canadians were sick and tired of violent criminals who use firearms. Therefore, Bill C–68 has tougher penalties, including minimum sentences of four years for certain crimes.

The bill also penalizes gun smugglers and provides a deterrent against smuggling crimes. Under the proposed legislation profits from smuggling and smugglers' vehicles can be seized. In addition gun smugglers can expect tough jail sentences when they are convicted. These are the types of measures that Canadians are calling for and I fully support those elements of the bill. In fact, I would like to see many of these penalties extended even further.

Unfortunately the legitimate desire of Canadians for crime control are exploited by Bill C–68 in order to forward the personal agenda of the justice minister. He has stated very clearly that he believes the army and police are the only ones in Canada that should be able to own guns. It is on the public record. Obviously the minister is using Bill C–68 to promote his own wish list and crack down on legitimate gun owners.

When the justice minister speaks about Bill C–68 he suggests there is wide support in the Canadian public for all elements of the bill. He cites polls and claims they support his views. What questions were asked? If you ask Canadians if they support legislation to reduce crime, of course they will say they support it. What are the facts?

This weekend I listened to a presentation by Brian Evans in Alberta and he made it very clear how the questions that are asked can determine the answers. He was quite open about showing the fallacies of the polling system. Again I remind the minister that John Diefenbaker probably stated best what polls are for.

What would Canadians say if we asked some of the following questions: First, do you believe that Canadians who do not register their guns should be subject to up to 10 years in prison, according to section 92 of the legislation? This means that a hunter who does not register his guns could be locked away for as long as multiple murderer, Denis Lortie, 10 years. How can this sort of extreme be justified?

Second, do you believe it is fair that under new rules allowing police to search for unregistered guns, all persons who do not "give the police officer all reasonable assistance" can be found guilty of an indictable offence and liable for a prison term of up to two years? This means that a farmer's wife who does not help the police to convict her husband by co–operating in a search for unregistered guns could be locked away for two years. Again this absolutely unbelievable.

Third, do you believe that the government should spend at least $85 million to institute universal firearms registration? Of course the estimates go up into the hundreds of millions, depending on who you talk to. There is no evidence that this will reduce crime. When similar systems were tried in other countries they failed miserably.

The devil is in the details. When Bill C–68 is viewed in the light of these types of questions, we see how flawed this legislation is. In the justice minister's attempt to crack down on legitimate gun owners he is doing a fundamental disservice to all Canadians. Parliament cannot allow this to happen.

• (1245)

The motion proposed by the member for Yorkton—Melville gives us an invaluable opportunity to get back on the right track and refocus our efforts on crime control which is the real issue in the eyes of Canadians. If we do this, then I am certain we will have all–party support for those measures that increase penalties for criminals. On the other hand, when it comes to universal firearms registration, splitting the bill will allow us to approach this debate in a direct way. If members of the House support the proposed motion, then maybe we will really see what the level of support for the minister's universal firearms registration plan is.

In my own riding of Red Deer, the minister has told me by letter that 67 per cent of constituents support his universal gun registration program. Unfortunately though, when I invited the minister to test his theory by participating in an open town hall meeting in Red Deer, he would not come to my riding. Why not? If the minister believes his own claims then he should receive overwhelming support. I will tell you why not. The minister will not come to Red Deer because he knows my constituents do not support his registration process. He will not come because he knows his claims are ridiculous.

How do I know my constituents do not support universal registration? I have had over 5,461 constituents sign petitions against this legislation; I have had over 1,200 letters in the last two months; I have had hundreds of phone calls and contacts out on the street; all of this against universal firearms registration.

Some might ask whether I have had any from the other side. Yes, I have. My office has received fewer than 20 letters and I have received fewer than 10 phone calls supporting this bill. That is over 230 constituents to one against this bill. I ask: What clearer indication can I have as an MP? It seems astonishing to me that the justice minister could make such an outlandish claim that the people of Red Deer support this legislation by a margin of 2:1.

I travelled my entire constituency this past 10 days from early morning until late at night. I had six town hall meetings and many other meetings. I met many people. All of them are opposed to this legislation. Not one person has told me he is in favour of it.

There is no doubt in my mind that Bill C–68 will cause many problems if passed in its current form. Even with major amendments in committee this bill will still turn thousands of Canadians into criminals.

It has been made very clear that a number of justice ministers, including those from Alberta and Saskatchewan, will oppose this legislation and the enforcement of it. It will cost hundreds of millions of dollars if we count the enforcement costs. It will impose a tax on legal gun owners through registration fees and will threaten the private property of approximately seven million Canadians.

This legislation is unacceptable. Therefore I urge the House to act responsibly and adopt the motion of the hon. member for Yorkton—Melville. Let us split the bill into two portions.

The first part will contain those parts of the bill dealing with crime control. We will send out a tough and unified message that violent criminals and smugglers will be punished severely for their crimes. That is what the Canadian people are saying. I have heard that message in Montreal and Toronto, and I have certainly heard it in the west. It is the same message. They are against crime and are demanding crime control.

The second part of the bill will deal with the government's very unfair universal firearms registration system. In the interests of Canadians we will strike down that proposed legislation. I believe that will be right across the board as well.

We have an opportunity to clarify what the minister has mixed up. It is our responsibility as members of Parliament to do this. I request the support of all members for the proposed motion.

Ms. Roseanne Skoke (Central Nova, Lib.): Madam Speaker, I rise today to debate at second reading Bill C–68, an act respecting firearms and other weapons. Bill C–68 is 124 pages long and contains 186 legislative provisions which include amendments to the Criminal Code of Canada and creates a new separate statute, the firearms act.

• (1250)

Moreover this bill would completely reorganize the gun control system putting provisions of a regulatory type in the proposed new firearms act while leaving the Criminal Code penalties in part III of the Criminal Code. It would also reorganize the classification of firearms and other weapons and the means by which controls are imposed on their acquisition, possession, use and transportation.

The three pillars of the existing system, controls on access, controls on particular kinds of firearms, and criminal penalties, would continue to exist but their forms would change. In particular much of the balance of the system would shift to controls focusing directly on persons rather than on kinds of firearms.

The Minister of Justice in opening the debate at second reading stage urged this hon. House to adopt the legislation in principle before sending it to the Standing Committee on Justice and Legal Affairs for detailed consideration clause by clause. The justice minister outlined three principles that motivated this government to introduce Bill C–68.

The first principle is that Canadians do not want to live in a country wherein the people feel they want or need to possess a firearm for protection.

The second principle is that if we are to retain our safe and peaceful character as a country, those who use a firearm in the commission of a crime will be severely punished. For example, those who smuggle illegal firearms, those who traffic in illegal firearms and those who profit by putting guns into the hands of criminals must know that penalties for such conduct must be certain and significant.

The third principle is that as a government we must acknowledge and respect the legitimate use of firearms by law–abiding Canadian citizens.

It would include but would not be limited to the respect for our Canadian heritage and culture regarding the traditions of hunting not only as a favourite pastime but as a very important economic activity contributing directly to the prosperity of many regions in Canada, and those whose livelihoods are solely

dependent upon firearms. Government must acknowledge and respect the use of firearms for farming, ranching and hunting. We must not interfere with this. Also to be acknowledged are those who collect firearms and those who enjoy shooting sports and so on.

The third principle in summary recognizes and respects the rights and interests of law–abiding Canadian citizens. However while these legitimate interests are acknowledged and respected, Bill C–68 requires that they be carried on in a context that is consistent with public safety.

The three principles as outlined by the justice minister are fundamentally sound. They are consistent with the objectives of good government, a peaceful and safe society and an effective response to the criminal misuse of firearms and enhanced public safety.

It must be understood that the universal registration of firearms is a fundamental strategy, a fundamental support system that the government intends to use to achieve the principles and objectives previously outlined. It is at this point that controversy and a divergence of opinion ensue in debate.

There is popular public opinion calling for more stringent gun control measures principally in reaction to recent violent crimes. On the other hand, there is also public opinion that certain restrictive gun control measures are inappropriate and will not adequately solve the problems of violent crimes.

Specifically my constituents of Central Nova have expressed to me concerns and interests regarding the effect and impact Bill C–68 and universal registration will have upon them as law–abiding gun owners. By letters, by petitions and by 800 constituents attending two separate public forums they expressed their concerns, fears and apprehensions regarding the federal government's firearms control program which was announced on November 30, 1994.

Constituents of Central Nova raised issues regarding the fundamental strategy of the universal firearms registration. The concerns raised were: first, that registration would potentially lead to confiscation of their guns; second, that registration would interfere with the property rights and charter of rights, specifically to the right to security of person and property; third, that the ownership of a gun is a right and not a privilege; fourth, they failed to see the positive effects of gun registration in deterring and reducing crime in Canada.

I trust that to satisfy my constituents' concerns the constitutional validity of universal firearms registration and prohibition will be examined and considered in the Standing Committee on Justice and Legal Affairs.

• (1255)

Some Central Nova constituents also raised a concern regarding the cost of registration both to taxpayers and gun owners. There appears to be much public misinformation in this regard. The Minister of Justice was quite clear on debate that the cost to gun owners in the first year of the five–year implementation period is expected to be zero. If for some reason it is not zero, it will be a nominal amount in the range of $10. The estimated cost of implementing the universal registration system over the next five years will be $85 million. This estimated cost will be reviewed in detail by the standing committee.

Potential non–compliance with Bill C–68 has been raised as an issue and how such non–compliance will be enforced. In my riding in discussing the issue of future non–compliance reference was made to past non–compliance. Reference was specifically made to the failure of police and crown prosecutors to enforce existing provisions of the Criminal Code of Canada regarding the usage of a weapon in the commission of an offence. Concern was expressed that crown prosecutors were irresponsible and failed to uphold public trust by plea bargaining and failing to enforce the existing provisions.

It should be noted that this concern is addressed by Bill C–68. Bill C–68 will toughen the penalties of the criminal misuse of firearms. With the restructuring of the Criminal Code there will no longer be plea bargaining of charges relating to the use of firearms because the penalties will be woven directly into the sections which provide for the offences themselves.

The firearms owners of Central Nova raised the concern that they were offended by having to consult the Criminal Code to determine the manner in which their private ownership of firearms was to be regulated. This concern has been addressed by Bill C–68 by the government changing the Criminal Code to toughen sanctions and by contemplating a separate statute, the firearms act, to deal with the regulatory aspects in relation to firearms acquisition, use and ownership.

Further concerns were raised in my constituency from the gun clubs and target shooters. These are highly skilled people, very law abiding and conscientious in their sport. These Canadians want to continue in those sports.

The justice minister has assured this honourable House that when Bill C–68 goes to the justice committee following second reading debate he will ask the committee to look at specific changes in the law. This is unprecedented and should be commended for being open to change and scrutiny of a government bill. The Minister of Justice stated in *Hansard*:

> First of all, to ensure that we are accommodating all of those sporting competitions with handguns, we have already made it clear that the .22–.32 calibre Walther used by Linda Thom at the 1984 Olympics will not be covered by the ban. We want the

committee to take the advice of the International Shooting Union to determine whether there are other handguns that should be exempted so that legitimate sporting activities will not be threatened.

Second, I will ask the committee to examine the question of whether there are black powder shooting events that might be affected by this legislation. It is not our intention in any way to limit historical re–enactments with the use of reproductions. We do not believe we have done that but we will ask the committee to look specifically at that question and to let us know whether additional technical amendments are required to make the meaning clear.

Third, we will ask the committee to look at the question of relics and heirlooms, recognizing that there are families and individuals who want to pass on to the next generation firearms that they have acquired and that have a specific sentimental or historical value to the family. That should be respected. We will ask the committee to fashion a way to allow it to happen consistently with the imperatives of public safety.

These three items were of concern to my constituents of Central Nova. I am satisfied that the justice minister will see that they are properly addressed.

The Minister of Justice stressed that Canadians will have the opportunity to make their views known when the legislation is reviewed by the House of Commons Standing Committee on Justice and Legal Affairs. I trust that the concerns of my constituents will be addressed. I urge all my constituents to partake in the legislative process by making their views known to the House of Commons committee.

• (1300)

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Madam Speaker, on February 14, the Minister of Justice and Attorney General of Canada tabled in this House his firearms bill to strengthen control over such weapons. It was high time. I support this bill, although my feeling is that it does not go far enough. I consider it is about time a country such as ours enacts legislation to protect all citizens.

We all know that gun–related crime has increased dramatically. We all remember the tragedy that occurred in the Quebec National Assembly, ten years or so ago, and the dreadful massacre at l'École Polytechnique, just a few years ago. Every day that goes by we hear about firearms being used to assault, threaten, intimidate and kill. Possessing a firearm gives criminals a great illusion of power, authority and strength.

In November, the president of the Canadian Association of Chiefs of Police commented that the issue of legal possession of firearms was not a game. The public, including hunters, competitive shooters, collectors and shooters, all people for whom I have great respect and law–abiding citizens, should consider these controls as reaffirming their rights and responsibilities. It is up to them to act on reaffirming their rights and responsibilities.

There is no doubt that a more structured control system, providing among other things for the registration of all firearms, will help make this country a safer and more peaceful place to be for all of us. Indeed, weapons are dangerous and there is a need to legislate in this respect. The Minister of Justice and Attorney General of Canada is on the right track with Bill C–68. However, I firmly believe, as stated previously, that this bill does not go far enough and that the minister should use coroner Anne–Marie David's report, released on January 26, as a model.

As Ms. David suggested, has the time not come to revise the wording of regulations concerning the safe storage, display and transportation of firearms so as to make it more easily accessible to all? While ignorance of the law is no excuse, is it not the justice minister's role to make it easier to understand? Time has come to review regulations and require businesses to lock up, and even render inoperative, any firearm for sale.

Also, restricted firearms should only be stored in a vault. These regulations should not authorize weapons without a safety locking mechanism to be delivered to anyone. I would even add that the Minister of Justice should amend the Criminal Code to provide that firearms will systematically be confiscated if regulations are not complied with.

• (1305)

Instead of spending millions of dollars on useless bodies such as the one on Canadian unity, should the government not invest these moneys in education and information programs for the public at large and for specific groups such as hunters, gun collectors, members of shooting clubs and others?

Several provisions in this bill need to be clarified. By spreading over an eight–year period the registration process for gun owners and firearms, did the Minister of Justice simply give in to the gun lobby, or did he want to please some members of his caucus? I am sceptical as to the deterring effect of such a reform.

The gun lobby encourages people to buy arms to protect themselves. Yet, it is proven that people are safer when they are not armed. A firearm kept in a house is 43 times more likely to kill a member of that household than an intruder. Why wait eight years, considering that a homicide is three times more likely to be committed in a home where a firearm is kept, while a suicide is five times more likely to occur?

Canadians, health specialists and particularly crime prevention experts all ask, and rightly so, for greater control over firearms. In Canada, 42 per cent of women killed by their spouse are shot, four times out of five with a gun or a rifle. Moreover, 78 per cent of these firearms are legally owned. Again, I ask the

question: Why spread the whole registration process over an eight–year period? I am convinced that, as elected representatives of the public, we could help save human lives simply by reducing as much as possible that registration period.

Is it really reasonable to allow 13,000 military–type automatic weapons in the country, considering that such firearms are designed for rapid fire in a combat situation?

More than 560,000 Quebecers and Canadians signed a petition asking that military–type weapons be banned. Yet, the new legislation allows gun collectors to own such firearms. Why? Why this fixation about firearms?

According to a recent survey, 84 per cent of Canadians, including 71 per cent of gun owners, support a ban on military weapons. Again, I find it unacceptable to make it perfectly legal for the owners of these 13,000 firearms to keep such weapons.

We need a more rigid form of gun control.

• (1310)

In my opinion, current legislation is inadequate, and Bill C–68 still does not go far enough, both in terms of its restrictions, as well as its deterring and punitive effects. It is our role to protect members of the public, often against their wishes.

[*English*]

Ms. Hedy Fry (Parliamentary Secretary to Minister of Health, Lib.): Madam Speaker, not only is it an honour for me to speak to the bill, I am enthusiastic and I would like to applaud something that is long overdue. The bill addresses the health and safety of Canadians. As Parliamentary Secretary to the Minister of Health, health and safety are extremely important to me.

Guns threaten, guns injure, and guns kill. I understand that guns are an important component of life in many parts of Canada: for hunters who live in isolated parts of the country and for people who play some competitive sports. Guns are also very important to the tourism industry.

The bill is not intended to harm that group of people or to stop any sport or tourism or person who wants to hunt in any sporting way. The bill is something most responsible gun owners would support. The firearms act seeks to bring into line those people who by their irresponsible use of firearms create a bad name for law–abiding gun owners, which is why the bill is supported by 68 per cent of gun owners. Those who operate within the law and act responsibly in storing and using their guns see nothing to fear in the bill.

The Canadian Centre for Justice Statistics and the Department of Justice have compiled a lot of startling data on the issue of guns. I bring them to the attention of the House today because they are what frightens me about the whole issue. Firearms cause suicide. Some 1,100 suicides a year are committed with guns, which means that 78 per cent of firearm deaths are suicides. In 1990, 300 of the suicides were committed by 15 to 25–year–old youths. People who commit suicide with a gun have a 92 per cent success rate, compared with only 35 per cent if other means are used.

As a physician and a mother this is totally unacceptable to me. It is alarming and it is sad. I know as many health and social workers know that suicide attempts by young people are often only a cry for help by very desperate and frightened youth. As a physician I have treated many of those desperate and frightened youth who would not be alive today if they had access to guns.

Firearms not only decimate our youth but firearms create other household tragedies. Firearms victimize women. Over 40 per cent of women killed by their husbands each year are shot. Every six days a woman is shot to death in Canada in her own home by a legally owned gun.

In March 1992 the Department of Justice showed that 78.3 per cent of domestic homicides in Canada involving the use of firearms were by legally owned guns. I stress that they were legally owned guns. We know that domestic violence is endemic in society but firearms transform violence into murder. One fit of anger, one violent rage combined with access to a gun, can result in a dead woman.

These are not the only disturbing statistics about violence with firearms against women. In 1993, 75 per cent of female victims were killed in a private residence; 85 per cent of the guns used to kill women were specifically rifles and shotguns; and 82 per cent of the rifles and shotguns were legally owned at the time of the shooting.

Is this the type of society we want to maintain, where women and children are not safe in their own homes? Is this the freedom espoused by those who oppose the bill? Is there any freedom at the end of a gun? I would argue that there is not.

Deaths by firearms are preventable deaths. Injuries by firearms cost our public health care system millions of dollars a year. Over 1,000 firearm related deaths and injuries are treated in Canadian hospitals each year. The cost of this is estimated between $15 million to $30 million per year. Therefore in my book firearms present a major health hazard; in the book of anyone interested in public health and safety. Even if the value of human life lost is not very important to the members of the third party, I am sure that the cost to the health care system might make them think twice because it is enormous. I believe $30 million a year is enormous. They did not factor into their recent budget the cost of firearms related injuries to the health care system.

• (1315)

One of the things that alarms me about firearms is that at the moment we do not have any data on the number of firearms in this country. Anyone who knows anything about public health will know data gathering is extremely important in preventive measures in health. The epidemiology of any disease or any health hazard, whether it be a virus, a bacteria, a poor sewage system or a gun depends on the amount of data we have.

There are very limited data right now on guns. We do not know exactly how many guns are in Canada. The gun lobby says there are 22 million. The Department of Justices says there are six million. It profoundly disturbs me that we have no real figures to answer this question. We know how many bicycles, how many cars and how many dogs there are but we do not know how many firearms there are. This is completely unacceptable.

This act will give us the database we need to take the preventive health measures we need to make this a safe and healthy society. By mandatory registration we will take the guns out of the closets and put them where we can find out exactly how many there are.

When police are called to an incident in a home they will know if they are walking into a risk or not. When police try to go to homes where there is domestic violence they will know whether they have to remove a gun because the woman in that house is in danger. Guns are lethal weapons and so it makes sense to have them registered, traceable and retrievable by our police forces in the case of use or abuse.

Some of my constituents have questioned the potential costs of this registration. I can understand that in a time of fiscal control we do not want to incur costs to the government. However, the justice minister tells us it will cost $85 million over seven years to register these guns.

To the members of the third party, I do not believe $85 million over seven years is too much money to spend on saving lives and decreasing disability, especially when balanced against the savings to the health care system. I hope even the members of the third party can figure out the mathematics of that simple equation.

Another concern raised by my constituents was they would be restricted from using firearms in the film industry, a major industry in British Columbia. I am pleased to say they can rest assured this new bill will not prohibit that.

Some other members of my community are concerned because they will not be able to export their replica firearms or that the investment value of their antique firearms will be decreased. Article 22 of this bill provides for the transfer, that is the sale, barter or donation of firearms, to persons who hold licences to acquire and possess that particular class of firearm. Their collections will not be devalued or frozen because they can continue to trade and sell their firearms with people who have the same type of firearms.

More important, in a democracy we must follow the will of the people. The majority of Canadians, 86 per cent of all respondents to a recent Angus Reid poll, said they support strong gun control measures, 68 per cent of whom are firearm owners. Eighty–four per cent of respondents support a total ban on military weapons, 71 per cent of whom are gun owners. Seventy–one per cent of Canadians support a ban on handguns, 54 per cent of whom are gun owners. It is clear Canadians everywhere think gun control is very important.

People talk a lot about the right to bear firearms. Nowhere is this in the Canadian Constitution. The responsibility to store, register and use firearms reasonably and safely is incumbent upon anyone who feels it is their right to own a gun.

• (1320)

Peace, order and good government are what the Canadian Constitution is all about and what Canada stands for. With this bill we will ensure that we continue to have peace, order and good government and that a cause of death and disability will be removed.

Mr. Myron Thompson (Wild Rose, Ref.): Madam Speaker, I would like to thank my colleague for his amendment to this bill. It is too bad the other members of the House are not knowledgeable enough about what we are talking about to address the splitting of this bill. I have not heard anything in that direction since it was announced over an hour ago that this is what we were supposed to be speaking about.

There comes a time during every government when those creating the legislation must face up to the reality of an issue and not the politics of an issue. This is one of those times.

The justice minister has tabled what he terms a firearm control measure, Bill C–68. Unfortunately this bill goes far beyond control and borders on the unreal. Realism in any bill means that the goals and the attentions of the proposed legislation are within guidelines established by and for the people governed by democratic values.

This bill allows neither governing by nor for the people. It certainly is not democratic in values or purpose. This bill seeks to be all things desired by a select group of individuals and special interests and removes democratic choice and ultimately democracy from law–abiding citizens who choose to hold private property deemed by the few and select to be tainted goods.

Instead of attacking the problems of criminal intent, this bill attacks the rights of peace loving and law–abiding citizens who safely use and own property without concern for due process and democratic values.

That is why this bill must be split. There are two paths in this bill. One addresses the need for safety and security of the person. It binds the law–abiding people of this land together, a path that mandates the state to protect its citizens from the

ravages of those who believe power is purchased with violent, threatening and immoral means. No Canadian will have a problem travelling this roadway.

However, this bill also has another path, one of control demanded by the anointed few who have hoodwinked this government. They have blinded it with dreams of power by demanding it place them above the freedom of Canadians to choose.

This second path gives the power of right and wrong, good and evil to the few who believe those not accepting their mandate or their way are the criminals. To the select few, those who are law–abiding, hard working, family oriented, loving and caring but who choose to purchase and own a rifle or shotgun cannot be trusted, say the few, and will turn into immoral and radical outlaws.

This bill offers strict, swift and sure punishment for those who break our laws or who threaten to intimidate our citizens. This bill also offers dictatorial powers to the few individuals who believe theirs is the only understanding and the only truth.

This bill must be split along those thoughts so that Canadians can decide whether criminals must pay for their crimes and whether Canadians will allow the decree of the few to dictate to the many.

This can be easily done. All that is required is for this government to stand up for the principles of democracy cherished by the citizens of this land and make the decision to put the wishes of the many ahead of the demands of the few elites and special interests.

Perhaps this decision may not be as easy as stated, for all Canadians know this government only listens to the chosen social engineers and elites who continually confirm they know best.

Perhaps this government was controlled and dominated for so long by the politically correct who live and breathe and function in their ivory towers and have no inkling what really exists below their utopian vision of never–never land that it cannot choose of its own free will to place the people of Canada ahead of its favourite few chosen friends.

• (1325)

In either case, whether the government has the political will to really consult Canadians or not, Canadians will know of the lack of vision and understanding the government possesses. The justice minister saw nothing wrong with the extraordinary order in council powers this bill would give his cronies.

The members of this party are so blinded by false polls and false idols of power promised by special interests that they are overlooking the clauses and language in this bill that create an all powerful super structure of select dictatorship within their own government.

The members of this government who publicly state they support this bill are telling their constituents in private they will not vote for this bill. That is another reason why this bill must be split.

This bill is causing constituents to lose faith in politicians. Canadians want accountability from their members and this bill will only weaken further the faith of constituents. Constituents have had enough the two tailed explanations offered by Liberal members.

Splitting this bill will allow those deserving the wrath of taxpaying Canadians—criminals who believe power does come from the barrel of a gun—to be quickly shown that power comes from the will of the people.

At the same time it will give those members opposite the opportunity to fully explain the other portions of this bill which the members opposite have no doubt been instructed not to mention to voters.

Why is it every time we on this side of the House mention rifles and shotguns those on that side of the House speak of handguns? My guess is that many voters do not know that Canada currently has the toughest regulations regarding registration, ownership and purchase of handguns of any country.

The government knows many Canadians accept the ponderings that handguns are on the same scale as rifles and shotguns from their members when those same Liberals know that current regulations concerning handguns require police investigation, mental fitness exams and questioning associates in the community to determine whether an applicant deserves handgun ownership.

These same members opposite do not state the current requirements in this House for fear Canadians will fully understand that handgun ownership is already extremely difficult. Instead they say handgun ownership in the same breath with rifles and shotguns to further dilute the truth.

Splitting this bill will allow law enforcement agencies to immediately demonstrate to violent criminals that society will not and cannot tolerate crime. Splitting this bill will allow immediate passage of the crime control clauses.

Splitting this bill will allow the removal of those sections that declare law–abiding, chosen private property owning Canadians villains. It will allow Canadians to no longer fear being classified as criminals because social engineering elites have decided that law–abiding Canadians cannot choose what is right and decent and honourable for them.

We will no doubt continue to hear words such as murder, abuse and mayhem from the members opposite in the same breath as crime control. That is acceptable as long as those words are aimed at the proper target, those who truly are

criminals, those who believe that power and control from the barrel of an illegally obtained handgun is the end all and be all to their existence.

Members opposite will try to convince Canadians that family oriented, loving and caring Canadians who choose target shooting, hunting or competitive shooting as a sport are the same as hardened criminals who place Canadians in grave or mortal danger.

We all know those words are further attempts at giving the elite the means to control our society through the portions of Bill C–68 never mentioned by members of this government

We all know those members opposite are being extorted to hide the true facts about the order in council clauses of this bill. They give absolute authority to the few elite and the few among the Liberals who still believe that total control from the top is the end all and be all of their mandate and that true democracy by way of frank and open debate with those who have opposing views is and must be opposed at all costs. That might convince Canadians they have a choice, intelligence and an opinion.

• (1330)

In conclusion, there has been a wake–up call to politicians from all Canadians indicating to each and every one of us that they will have a voice from this day forward in what comes out of the House, and so they should. I encourage them to continue to be involved in this very contentious issue.

Mr. Paul DeVillers (Simcoe North, Lib.): Madam Speaker, I am pleased to participate in the debate on Bill C–68, an act respecting firearms and other weapons. As is the case in many rural ridings, the legislation has elicited a great deal of interest among my constituents.

Everyone participating in the discussion should do so with the following three points in mind. First, the government promised to toughen firearms legislation during the last election campaign and was elected with a strong mandate. Second, opinion research indicates a very high level of support among Canadians for the legislative initiative. Third, firearms owners have legitimate concerns about the proposed law. If we do not work with these axioms in mind, we will not have the constructive and open debate this important issue merits.

The Minister of Justice introduced a broad set of measures intended to increase public security in Canada. While I have difficulty fully appreciating all the benefits of registering rifles and shotguns, I nonetheless support most of the provisions in the bill.

Most Canadians, even the most sceptical, would admit there is some good in the legislation.

[*Translation*]

However, this debate is about how we can improve this bill even more, to make it acceptable to a larger number of Canadians. As we saw with the GST, for instance, if a new bill is not widely accepted, it will fail to do what it is supposed to do.

During the past few months I have received hundreds of cards and many telephone calls, faxes and letters representing the two poles of this debate. I met a number of constituents personally and also attended regularly the meetings of a special firearms owners advisory committee.

Of the approximately 500 residents of Simcoe North who communicated with me on this bill, about 10 per cent supported the bill and 90 per cent were opposed. The majority of the latter group expressed their views through a mail–in campaign.

[*English*]

Despite the opinion research showing strong support in every region of Canada for the measures contained in Bill C–68, it is clear that large numbers of hunters, target shooters and gun collectors are very dissatisfied. As legislators I feel we should do our utmost to balance these concerns with the will of the majority of Canadians. If we can eliminate the dogmatic rhetoric emanating from those with entrenched positions on either side of the issue and debate the matter with a rational approach and an open mind, we can make important progress toward this balance.

An example of a compromise that would not water down the bill in any way but would certainly render it fair in practice and in perception is the following: Bill C–68 could be significantly improved by removing from the Criminal Code the penalties in section 91 for non–registration in cases where the contravention is not wilful, for example where there has been an oversight. This type of non–registration would be more justly dealt with under the newly created firearms act.

Penalties for wilful non–registration in section 92 could remain in the Criminal Code. This simple amendment would take nothing away from the strength of the bill but would ensure that law–abiding Canadians are not recorded as having criminal records due to an omission, oversight or ignorance of the law. In my opinion the amendment would dispel much of the concern felt by many firearm owners.

• (1335)

I have received a legal opinion that not only would the amendment be constitutional but it would actually improve the constitutionality of the bill. I have requested an opportunity to appear before the Standing Committee on Justice and Legal Affairs to seek its support for the amendment. Barring a chance

to appear before the standing committee, I propose to move a motion in the House during report stage debate.

[*Translation*]

We have all witnessed the atmosphere of suspicion and misinformation around discussions on gun control. Quite frankly, much of the problem is due to a lack of information about the repercussions of the bill. We should not be surprised that gun owners get upset when their members of Parliament are unable to answer very basic questions like: how much will it cost?

The question is a legitimate one, and I would like to be able to give a clear and precise. In the absence of detailed information, individuals and organizations that have a vested interest in giving Canadians the worst case scenario have been quick to provide their own answers to these questions, sometimes drawing alarmist conclusions that have been greatly exaggerated.

For instance, in my riding people say it will cost between $86 and $102 to register a firearm. However, the Minister of Justice figures that it will cost only $10 for up to ten firearms. If we cannot prove they are wrong, many people will think these agents of the gun lobby have absolute credibility.

[*English*]

The firearm debate has had a very polarizing dynamic. We have very determined firearm owners on one side and equally determined people on the other side who would rather not see guns in society. Both have legitimate and compelling concerns.

It is for this reason we as parliamentarians must try to take the middle road. Although the middle of the road approach may not satisfy extremists at either end of the spectrum, it will be satisfactory to the majority of Canadians. Canadians pride themselves as a fair and just people, but we must not forget our heritage and that even today firearms activities such as hunting, targeting shooting and collecting are important components of the Canadian identity particularly in rural areas.

The proposals embodied in the bill were introduced last November. In response to input from individual firearm owners and organizations that represent them, the legislation we are debating today contains important improvements to the original proposals. For example, owners of firearms in the restricted category will now be able to buy and sell to others in the same category. In addition to other provisions for divesting of restricted firearms, this will ensure that owners of restricted firearms will have a reasonable choice of options if they choose to retrieve their investment.

These substantial amendments to the original proposal demonstrate there is still room for compromise without undermining the basic principles of the bill. That is why I am proposing an amendment to remove from the Criminal Code the penalties in section 91 for non–registration in cases where the contravention is not wilful. The amendment will make the legislation more just and will increase the degree of compliance without reducing its impact.

In addition to universal registration, Bill C–68 contains many excellent provisions that will undoubtedly improve public safety. I cannot say that I support every aspect of the legislation without reservation, but if I had to give it a grade it would be a *b* plus, and that is a decent pass.

I intend to vote in favour of Bill C–68, but in respect of the legitimate concerns expressed to me by firearms owners in Simcoe North and in view of my personal reservations I am seeking remedial action in the form of the amendment I described.

[*Translation*]

Mr. Bernard St–Laurent (Manicouagan, BQ): Madam Speaker, our concerns with regard to the legislation on gun control are shared by many of my fellow Canadians. We cannot, however, remain insensitive to the statistics on the number of shooting deaths.

• (1340)

Firearms are involved in over one third of the homicides in Canada. Most of the homicides in the past six years were committed with shotguns or hunting rifles. In three cases out of four, a murdered wife was slain with a hunting shotgun or rifle.

Closer to home, in Quebec, between 1990 and 1992, there were 1,293 deaths attributable to shootings—an average of 425 deaths annually. Three deaths by shooting out of four, in Quebec as well, were suicides, for a total of approximately 300 suicides annually. These sombre statistics are very eloquent. They cannot therefore be ignored. It was essential to ensure a strict application of the provisions of the Criminal Code on the use of firearms. Moreover the regulations in force under the old legislation governing the acquisition, storage and transportation of firearms were incoherent and difficult to apply.

The Minister of Justice had to make them understandable and accessible to everyone. But, did he do so? Let us take the time to consider a few paragraphs.

The Bloc Quebecois favours gun control without discriminating against those who use firearms reasonably and responsibly. I gave some statistics earlier. Here are some more. A descriptive study on suicides, homicides and accidental deaths by shooting was done on a data base available in the files of the coroner. For example, a number of files were examined by the Quebec coroner. The tally of deaths caused by firearms: from 1990 to 1992, 38 accidental deaths; from 1992 to 1993, 572 suicides; from 1991 to 1993, 227 homicides.

The goal of this study was to obtain information on the firearm used, its owner and the situation leading to the incident, in addition to the characteristics of the victims and the circumstances of the incident.

Thus we can see that guns are the preferred means used by people who want to end it all. Let us look at the specific aspects of this kind of death. Between 1990 and 1992, a gun was used in 26 per cent of all suicides. This percentage varies by age group. Thirty–seven per cent of all people under 20 years of age use a gun to commit suicide. In the 20 to 29 age bracket, this percentage drops to 27 per cent, and bottoms out at 25 per cent for people 30 years of age and older.

What is the age of the victim? The rate at which people 10 years of age or older use a gun to commit suicide is 5.2 per 100,000. However, we find the highest rate in the 15 to 24 age bracket, which is 7 per 100,000. Men, in a proportion of 92.7 per cent, use guns to commit suicide, compared to women who, naturally, make up the difference of 7.3 per cent.

I would like to continue by citing an interesting statistic which, unfortunately, concerns my region. The average annual suicide rate varies from 1.9 to 16.5 per 100,000 depending on the region. The rate is highest in the north of Quebec and in Abitibi.

As you can see, guns are not always put to good use in my riding. The riding of Manicouagan has a very high unemployment rate, which exceeds the average in other ridings.

Geography has somewhat isolated us from big centres, and this is an added stress weighing on residents and is also one of the contributing factors to the high suicide rate. The isolation factor should be considered in the analysis. However, this region is graced with all of nature's splendours, and, like the North Shore region, offers its residents so much untouched nature and free access to the oldest sports on earth: hunting and fishing.

As you guessed, residents of the North Shore need their guns to hunt. They can put them to a full and healthy use and they have proved this for many years.

• (1345)

With or without regulations, these people are able to make proper use of their weapons—for recreational purposes, needless to say.

Although it is important that Bill C–68 meet one of the goals established, namely gun control—no one in the Bloc Quebecois is against this—, we must be very careful not to dig too deeply into taxpayers' pockets under the pretext of exercising some control.

We must ensure, among other things, that the registration fees collected by the department are not a kind of hidden tax. The Bloc Quebecois is very wary of this.

Although we certainly agree with the principle that firearms must be better controlled and monitored, we should also be honest enough to admit that since a large number of firearms are used by suicidal people, gun control and registration will not solve the problem of suicide. Let us not forget that those who try to kill themselves with firearms may do so because they already have them in their possession; if not, the vast majority of them will simply use something else.

In closing, yes, the Bloc Quebecois is in favour of better gun control. We must, however, avoid imposing extra costs on people like those in my riding who do not need them. These people are fed up with having to pay more and more all the time.

With all its facilities designed to control the system, the department is certainly in a position to control travel costs, so that Quebec taxpayers, including those in Manicouagan, do not have to pay excessive costs.

[*English*]

Mr. Joe McGuire (Egmont, Lib.): Madam Speaker, when the Minister of Justice announced his firearms control program in November 1994 he did so after extensive consultation with individuals, groups, organizations and various government departments.

The overwhelming support of the Canadian people for the program shows that the minister listened well and responded to the concerns expressed during that consultative period. Headlines, editorials and columns in newspapers across the country almost unanimously repeat the theme "Gun control law on target".

When we look at our neighbours to the south we see a society that has enshrined in its constitution the right to bear arms. This emphasis on rugged individualism is characterized in part by the fascination with guns in the United States. Its citizens have embraced an all–pervasive, gun–toting culture.

Canadians do not share the American fascination with guns. Our society is essentially different from theirs and in an overwhelming fashion this has been communicated to the Minister of Justice. The minister has proposed legislation which is a reasonable response to the desire of Canadians to maintain a different social and cultural attitude toward guns. Canada must not slip into the gun mentality of the United States. As the minister said: "Canadians do not want to live in a society where they feel they need to own a gun for protection".

I do not believe it is possible to devise gun control legislation that will satisfy all Canadians. However, I do believe that with this legislation the minister has taken a colossal step in the right direction. He has used a two–pronged, balanced approach in attacking the public safety problem on the one side and the use of weapons in criminal activity on the other. The law will not resolve all our problems, but as a Montreal *Gazette* editorial

stated: "It is a superb and courageous proposal for gun control. It is almost everything that anti–crime advocates could ask for".

The legislation is also a reflection of the wishes and even the demands of the Canadian people, that we toughen our laws and our positions, that we make things tougher for criminals and that we improve the level of safety in the streets and homes of our nation.

The government was given a mandate in the last election to strengthen gun control laws. The Liberal program made that promise. It is most appropriate that the Minister of Justice, with the support of Parliament, move to fulfil it.

• (1350)

Debate on this legislation will provide opponents with the opportunity to seek changes in the areas to which they object. However at the end of the day the will of the majority must prevail. It is most distressing to have Reform Party members indicate that they are not content to seek change but that they will flaunt the will of the majority and put themselves above the law.

It is distressing to hear statements that reflect a kind of wild frontier mentality. "I do not like the law, therefore I will break it". At this point, it is not simply a question of guns or gun control but rather a question of democracy.

The legislative proposals have been dealt with in detail by members who have spoken previously but I feel I should mention some of them again in brief. On the get tough on criminals side of the ledger, there will be a mandatory minimum sentence of four years in prison for the use of a firearm in the commission of any of 10 specific violent offences. This is not only a suitable penalty for such crimes but should also serve as a deterrent to the use of a firearm in the commission of crime.

There will be increased penalties for illegal importing and trafficking of firearms. These will be accomplished by increased border controls and surveillance measures.

On the other side of the ledger—the enhancement of public safety—there are two main items: a law applying to certain types of handguns, the restricted buying and selling of others and a national registration system for all firearms.

This registration will be administered by the RCMP in co–operation with the provinces and territories. Virtually no one has a problem with the get tough on criminals part of the legislation. If there is a criticism, it is that the mandatory sentences are not severe enough.

However when we get to the area of handguns, opposition grows. I believe that the treatment of handguns is eminently defensible. Target shooting and collecting are both legitimate exercises and adequate provisions are made for both of them in the bill. These handguns and certain other prohibited firearms are also able to be bought and sold among existing owners. On the issue of handguns, I want to include a quote from Ontario Judge Hugh Locke.

When delivering a decision involving possession of a restricted weapon, Justice Locke said: "Handguns are the scourge of the human race and their unlawful possession must be totally discouraged. Such weapons are useful for one purpose and one purpose only. They are employed to kill and maim human beings. Our society is plagued with those who feel handguns are a normal part of one's equipment. They are not".

On the subject of registration, nowhere in the legislation does it say that Canadians have to give up their guns. However it does say that Canadians must register all of their guns. Granted, registration is an inconvenience and will have a cost attached but the whole registration process allows for seven years before it is fully mandatory and the cost is minimal.

The minister recognized that the proposed legislation may not yet be in its best or final form. There are concerns about cost, about the treatment of relics and heirlooms and the legitimacy of certain types of guns. The House of Commons Standing Committee on Justice and Legal Affairs will hold hearings so that concerns such as these may be addressed.

Opposition on the basis of slogans such as "registration today, confiscation tomorrow", promoting the idea that a tyrannical government is disarming its citizens to make it easier to suppress and oppose them is nonsense. It is fanatical nonsense and seriously diminishes the credibility of those who espouse such beliefs. When we discuss legislation of this nature, I believe it is important that we talk to the people on the front lines, the ones who live it on a daily basis.

P.E.I. is considered to be quite a peaceful society even by Canadian standards. I would like to put the following letter on the record. This letter is from Transition House and was written by Joanne Ings, executive director:

> As you are aware, the P.E.I. Transition House Association operates Anderson House, the Island's only emergency shelter for women and children seeking refuge from family violence. Since Anderson House opened in 1981, we have sheltered 1,800 women and over 2,000 children.
>
> The impetus for gun control legislation came from the shocking murders of women engineering students in Montreal in 1989. The P.E.I. Transition House Association has been a strong supporter of the legislation since its inception. We believe that stricter controls will save lives, particularly lives of women and children who live in violent family situations where unregistered firearms are present.
>
> Many of the women and children who stay at Anderson House are from rural P.E.I. and we have learned from these families that the threat of the use of firearms is a real fear. We understand that the registration of shotguns and other firearms will not stop family violence but statistics prove that registration is a deterrent and does result in fewer deaths by firearms.

If one life will be saved by the passing and proclamation of Minister Rock's legislation it will be worth it. We ask that you support this bill for the safety of women and children in violent family situations and in memory of the women of Montreal.

• (1355)

I believe that the sentiments expressed in this letter are those of the vast majority of Canadians. I believe that the legislation being debated is a compromise which advances the cause of public safety in the community without imposing unreasonable constraints on anyone's personal freedom.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Madam Speaker, it is a pleasure today to be speaking to this motion to sever Bill C–68 because I think most members enjoy speaking to legislation that makes sense.

A very sensible approach would be to separate Bill C–68 so the House can thoroughly examine the two distinct segments. The section of Bill C–68 that deals with the criminal use of firearms is the only part of the bill that could have a significant effect on improving public safety.

However, this section of the bill, part III, will likely be ignored in public debate. Like many pieces of Liberal legislation there are aspects that are a step in the right direction. However like most government legislation, most of part III does not go far enough and some sections are actually regressive. Because part III has the pretence of being a step in the right direction it will be ignored as critics and supporters of the bill debate the merits of universal registration. I believe it is extremely important that the House thoroughly review part III and that is why this part and the other relevant sections of the bill must be reviewed separately from the registration section.

My Reform colleagues and I wholeheartedly agree with any legislation that would get tough with criminals who use firearms. Unfortunately this bill does not make the grade.

Last June I introduced a private member's bill C–260 that dealt with the criminal use of firearms. In that bill I called for the inclusion of replica firearms in section 85 of the Criminal Code. I did this because crown counsels had informed me that one of the reasons that so few section 85 charges went forward was because it is so difficult to prove that the object that was used in a crime was actually a firearm. The way the legislation has been written the crown had to prove that the object that looked like a firearm was actually a firearm.

Unless the firearm was fired during the commission of the offence or unless the criminal was arrested at the scene of a crime or immediately after in possession of a firearm it was unlikely that a conviction could be won. There was no other way the crown could prove that the object that looked like a firearm actually met the legal definitions of a firearm. Since the crown could not prove that it met the legal definition of a firearm a charge under section 85 could not be laid.

The inclusion of a replica in section 85 would fill that void. My private member's bill treated a replica the same as an actual firearm. There would be no need for the crown to prove that the object was a real firearm.

When robbery victims have what looks like a handgun shoved in their faces they are not in a position to determine if the gun was real or just a replica. The terror they felt at that moment is not mitigated if they learn later that it was just a replica. Does the inclusion of replica in Bill C–68 solve this problem? Unfortunately it does not. It is that ever so typical Liberal small step in the right direction. Someone who uses a replica firearm during—

The Speaker: The hon. member will have the floor when we get back after question period. It being 2 p.m., we will now hear statements by members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

COMMONWEALTH DAY

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, I am honoured to rise in the House today to draw the attention of my hon. colleagues to the importance of Commonwealth Day. The theme of Commonwealth Day 1995 is tolerance.

The Commonwealth stands as a symbol of international co–operation and as a model for all nations of the globe to work in friendship promoting diversity and harmony through tolerance.

Our nation has benefited greatly from its membership in the Commonwealth and in turn Canada has lent its strong support to this venerable institution.

* * *

[*Translation*]

TRAGEDY IN BLANC–SABLON

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, first of all, on behalf of the Bloc Quebecois, I wish to extend our sympathies to the families affected by the tragedy that struck Blanc–Sablon, in my riding of Manicouagan, on Friday.

At two o'clock Friday morning, tonnes of snow came tumbling down the mountain to devastate the tiny North Shore village of Blanc–Sablon. A father and his son were killed. It is a miracle that the mother, who was buried under the snow for hours, survived. Had it not been for the outstanding courage of local residents, who defied extreme cold and winds of over 100 kilometres per hour, the toll could have been even worse.

Again, this goes to show that, in Quebec, there are exceptional people prepared to face exceptional circumstances, and the Bloc Quebecois salutes the extraordinary solidarity displayed on this occasion.

* * *

[*English*]

ELVIS STOJKO

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I rise in the House today to congratulate Elvis Stojko on winning his second world figure skating championship.

Elvis displayed unbelievable athletic ability, the grace of a true champion and the humility of a real sportsman. Residents of Barrie in my riding are especially proud as Elvis trains at the Mariposa Figure Skating School under coach Doug Lee. We all have something to be proud of in this young man as he demonstrates the spirit and rich culture of Canada, something our Secretary of State for Multiculturalism would do well to note.

Elvis Stojko, Brian Orser and Kirk Browning, all Canadian and all world champions have placed Canada number one in the world, seven in the last nine years and the tradition continues.

I am sure all members will join with me in paying tribute to this outstanding young Canadian.

* * *

UNITED STATES BORDER CROSSING FEE

Mr. John Maloney (Erie, Lib.): Mr. Speaker, I rise today to express my grave concerns on President Clinton's budget proposals to charge a $3 per vehicle and $1.50 per pedestrian border crossing fee to enter the United States. The proposal has not been withdrawn as we were led to believe but has been altered to put undue pressure on U.S. border communities to encourage implementation.

These proposed fees violate the spirit and intent of the Canada–U.S. Free Trade Agreement and NAFTA. These proposed fees would stifle economic development and economic integration of communities and regions on both sides of the border to the detriment of us all.

These proposed fees would seriously discourage tourism and open travel between our respective countries. They would hamper visitation between families who in a literal sense straddle the border.

These fees are questionable economics and questionable diplomacy in an era of increased trade and goodwill with our friendly neighbour to the south.

I strongly urge the Prime Minister to advise the President of our strongest objection to this unwise, counterproductive and unacceptable tax.

Retaliation is not an answer. Friends do not treat each other this way. Withdrawal of the proposed fees is the only solution. The constituents of Erie riding, of the Niagara peninsula and indeed of the whole country deserve and demand nothing less.

* * *

TAXPAYERS BILL OF RIGHTS

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I would like to inform the House of my private member's initiative which I have called the taxpayers bill of rights and is currently being drafted.

Summaries of this legislation have been submitted to professional bodies and interest groups across Canada. I would like to thank them for their comments and suggestions. People from British Columbia all the way to Newfoundland have written to me and expressed their support for this initiative.

Greater financial accountability for existing and future programs, the protection of taxpayers from the onerous powers of collection authorities and the establishment of a taxpayers' ombudsman are part of this bill.

Finally and most important, it establishes a cap on the amount of taxation an individual can be subjected to and it provides for refunds over this threshold amount. A gradual reduction of thresholds by 1 per cent per year over the next 15 years will give taxpayers the assurance that we have put limits on the tax grab on disposable incomes.

* * *

[*Translation*]

INTERNATIONAL WOMEN'S DAY

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, March 8 was a perfect opportunity to remember that, over the years, Quebec and Canadian women have made great progress in their efforts to reach equality. All women should be pleased with the progress made, and we should take the means available to us.

I want to salute every woman who quietly goes about her task but whose contribution is essential to our common well–being. I also thank the pioneers and those who played, and continue to play, an active role in women's organizations, so as to ensure better conditions for their fellow women.

Finally, I want to express my solidarity and my admiration to all the women, in many countries, who fight to have their most fundamental rights respected. To those women, I wish to send a message of courage and hope.

• (1405)

[*English*]

ALAN WINTER

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I have been asked by a British member of Parliament to raise the Alan Winter case in this House.

Alan Winter was a school trustee in British Columbia who ran a government funded foster home. He was declared a dangerous offender and sentenced to 16 years, yet was released only five and one–half years later on agreement that he leave Canada.

British MP John Denham was outraged to learn recently that this child molester who faced 28 sexual assault charges in 1987 was now living in his riding of Southampton. Mr. Denham writes:

> People in Southampton were appalled to learn that he has served only a small part of a lengthy sentence for appalling acts against children. They were equally concerned to learn those agencies responsible for child protection had no knowledge of his presence in the city.
>
> I would be grateful if you could make every effort to raise my concerns and those of my constituents in the Canadian Parliament. I believe that if Mr. Winter was not fit to be released into Canadian society he was not fit for release into my country either.

* * *

CHICKEN INDUSTRY

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, Atlantic Canada's chicken industry is in a period of transition. Close to 90 per cent of the province's chicken production comes from my riding of Annapolis Valley—Hants.

In Nova Scotia we have an active and resilient industry that has chosen not to sit still. For example, in my riding much work is being done to capitalize on opportunities in the value–added sector. However, we are grappling with a number of important and potentially divisive issues.

We need to determine how to maintain fair prices for producers and processors. We need to resolve trade concerns with the U.S. relating to the GATT and NAFTA. All provinces must pull together and work in co–operation in order to enhance our national position.

I urge all affected participants, including the federal government, to strive toward achieving a stronger domestic chicken industry. At the end of the day we will all benefit from an industry that works in co–operation and is solid in all regions.

S. O. 31

ORDER OF CANADA

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, I would like to bring to the attention of the House the accomplishments of Peggy McKercher and Dr. Louis Horlick of Saskatoon who received the Order of Canada on Wednesday, March 1.

Peggy McKercher was made a member of the Order of Canada for her voluntary service to the residents of Saskatoon. She has spent many hours volunteering for many organizations, including the Meewasin Valley Authority of which she has been chair since its inception. Under her leadership Meewasin has created one of the most beautiful riverfront areas in Canada and has established Wanuskewin Heritage Park which is world recognized for its historical and archaeological importance.

Dr. Louis Horlick was promoted to officer of the Order of Canada. Dr. Horlick, a cardiologist at Royal University Hospital and Professor Emeritus of Medicine at the University of Saskatchewan, is well known for his advocacy in the area of community health and cardiac care. He is respected by students and colleagues alike as an inspiring teacher. As a researcher he has made many contributions to the science of cardiac care.

Let us all take the example of Dr. Horlick and Mrs. McKercher to heart. Their dedication to the community, the fellow citizens of Saskatoon, Saskatchewan and to raising the standard of quality of life that we as—

* * *

NATIONAL CURLING CHAMPIONSHIPS

Mr. Reg Alcock (Winnipeg South, Lib.): Mr. Speaker, every day is a wonderful day to be from Manitoba and today is no exception. Yesterday, Manitoba completed a clean sweep of all national curling championships.

Our junior rinks skipped by Chris Galbraith and Kelly MacKenzie are men's and women's junior champions. Connie Laliberte from my home club won the Scott Tournament of Hearts. Yesterday, the team of Kerry Burtnyk, Jeff Ryan, Rob Meakin, Keith Fenton and Denis Fillion won the Labatt Brier.

I know that all members of this House wish they were from Manitoba. I know they will all join me in wishing Kerry's team the very best of luck in the World Curling Championships to be held in Brandon, Manitoba.

* * *

[*Translation*]

INTERNATIONAL WOMEN'S DAY

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, last week, I celebrated International Women's Day with a breakfast for representatives of local organizations working with women in my riding.

• (1410)

The riding of Saint–Denis is very lucky to be able to count on such high quality services from these organizations. Women in poverty, dealing with violence in the home or recently arrived in Canada are some of those they serve.

I take this opportunity to draw attention to the fine work done by these organizations and encourage them to continue their efforts.

[*English*]

Canadians only stand to benefit from the full contribution of women in our society. This struggle for equality does not seek to condemn men but to work with them in creating, as our slogan for this year says, a world of equality.

[*Translation*]

There is still a way to go before equality is achieved, but women's voices are being heard; we cannot ignore them any longer. One day, equality will become reality.

* * *

UNEMPLOYMENT

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, this year, Quebec will experience a shortfall of $118 million in unemployment insurance.

In the past, federalists sang the praises of Canadian federalism saying that Quebec was a net beneficiary of the unemployment insurance program. The fact is that Quebec's rate of unemployment under the federal scheme is systematically higher than Canada's. This is what we get out of federalism.

The government in Ottawa is hindering job creation in Quebec, in particular, by putting only 15.9 per cent of its investments there, although 23 per cent of its revenues come from there.

Not only did the latest budget hinder job creation by precluding the transfer to Quebec of full powers in manpower training, but it proposed no active job creation measures.

* * *

[*English*]

IMMIGRATION

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, this morning Canadians read about a woman who came to Canada from the United States and then claimed refugee status. She was turned down and removed back to the U.S. until she could get a taxpayer funded legal aid assisted appeal.

The initial hearing stage took so long that the claimant now has a two and one–half year old daughter born in Canada who is a Canadian citizen. This child will have to remain in Canada while her mother is removed to the U.S.

The Reform Party would never have allowed this travesty to occur. We would not accept refugee claimants from the United States. We would not allow claims to go on and on for two and one–half years. We would not allow children born of illegal immigrants to automatically acquire Canadian citizenship.

The minister calls our proposals hard hearted. In fact, these measures would have prevented this latest immigration outrage and would have saved taxpayers tens of thousands of dollars. If this government had the interests of genuine refugees and taxpayers at heart, it would adopt our proposals and stop a system that encourages abuse.

* * *

SKATING COACH HAROLD SHER

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I rise in the House today to pay tribute to one of my constituents, Mr. Harold Sher. Mr. Sher has been a precision skating coach in my riding for the past 15 years. His most recent competition epitomizes the success he has enjoyed.

Sher's four teams from the Bracebridge figure skating club made a clean sweep of first–place finishes at the northern Ontario sectional and invitational competition held last month. The four teams came away with eight gold medals. This outstanding success qualifies the teams for the Canadian championships to be held in Calgary later this spring. Last year his adult team, the Muskoka Blades, won silver at this championship, while his junior blades won gold in the consolation round.

I wish Harold and all of the skaters the best of luck as they go for gold in Calgary next month.

* * *

HAVELOCK COUNTRY JAMBOREE

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, August 10 of this year will be the first day of the sixth annual Havelock Country Jamboree. It kicks off country music week in Peterborough city and county.

The jamboree is a success story in our region. It is a showplace for musical talent. It is a boost for local businesses. It attracts thousands of tourists to and generates publicity for the Peterborough area.

Last year the jamboree helped Havelock minor hockey, St. John Ambulance, the scouts, the Terry Fox run, the March of Dimes and the local food bank.

It is great that grassroots ventures like the Havelock Country Jamboree can generate so many benefits simply by bringing pleasure to thousands of people. Our thanks to Jack Blakely and all his helpers.

FIREARMS REGISTRY

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, less than two weeks ago, on Tuesday, February 28 the Saskatchewan Legislative Assembly unanimously passed the following resolution:

> That this Assembly transcend party lines and join together in demanding the federal government immediately withdraw Bill C–68, the Firearms Act, which will effectively impose a costly and unnecessary national firearms registry that will have no effect on controlling violent crimes in Canada, and that this Assembly send an all–party delegation to make representation to the Standing Committee on Justice and Legal Affairs outlining this Assembly's intense opposition to the proposed firearms registry; and further, following adoption of this motion, that Mr. Speaker forward to the federal Minister of Justice a copy of this resolution with the relevant transcripts from today's proceedings.

• (1415)

My constituents and I also want to register our intense opposition. I concur with the unanimous vote of the Saskatchewan legislature calling for the immediate withdrawal of Bill C–68 respecting the Firearms Act.

ORAL QUESTION PERIOD

[*Translation*]

FISHERIES

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, turbot is the last remaining species which can be fished off the coast of Newfoundland in the wake of the scourge of overfishing on cod, ocean perch and plaice. For this reason, it is imperative that we protect turbot stocks. The official opposition, therefore, supports the government's decision to put an end to the overfishing of turbot, which led it to board the Spanish vessel *Estai*.

Some hon. members: Hear, hear.

Mr. Bouchard: My question is for the Minister of Fisheries and Oceans. Drawing on information gathered by inspectors who have boarded the Spanish vessel *Estai*, will the fisheries minister tell us whether officials from the Department of Fisheries and Oceans have found any irregularities which could be used to support Canada's position?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I would like to thank the Leader of the Opposition for raising this question and for the considerable support that the Bloc Quebecois has given to the government regarding this issue.

Concerning the catches found aboard the *Estai*, we found that up to 70 per cent of all of the fish caught were small and immature. This is an important issue for the fishermen of Nova Scotia, Newfoundland, New Brunswick, Quebec and Prince Edward Island. This is clear. Atlantic fishermen have unanimously called on the government to take effective action.

[*English*]

As the Leader of the Opposition has asked, we have commenced inspection aboard the vessel. Based on the preliminary estimates, not the completed and full inspection, more than 70 per cent of all stock found aboard the vessel is very small, sexually immature fish not capable of reproduction. Some 30 per cent were less than 14 inches, 21 per cent less than 12 inches, and 22 per cent less than 9 inches. A good chunk of the fish are smaller than this pen.

The Speaker: I am going to let the hon. member conclude, but I beg him not to use any props even though it is only a fish pen.

Mr. Tobin: Mr. Speaker, knowing the House has a good imagination, I can say that a healthy fishery is conducted on animals, living resources of the sea that are between 24 and 28 inches. Many of the fish being caught are smaller than the palm of my hand. That is no prop; that is my hand. This has to stop.

Some hon. members: Hear, hear.

• (1420)

Mr. Speaker: I will take that as a wave.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, to demonstrate the seriousness and the firmness of Canada's position, will the minister confirm that his government will not free the seized vessel before the European Union resumes negotiations with Canada, which is the condition the Union would impose on us?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the government is proceeding today to do all things required in a very normal and appropriate way in Canadian law. That is the action we are taking today and that is the action we shall continue without fail over the hours and days ahead.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, my next question is directed to the Minister of Foreign Affairs.

Could the minister tell us whether or not Canada has taken diplomatic steps to reach a peaceful resolution of the conflict with the European Union that will respect the pressing goal of protecting and conserving current stocks of turbot threatened by overfishing on the part of European ships?

[*Translation*]

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, it is absolutely clear that the Government of Canada wishes to continue on the path of diplomacy and to explore all diplomatic avenues at our disposal, for example

discussions with representatives of the European Union and, in particular, with Spain.

It is clear that our ambassador to Spain, our ambassador to the European Union and officials of my department here in Ottawa have contacted the ambassadors of the countries in the European Union to explain our position, to state quite clearly that it is our goal to conserve fish stocks and to reach an amicable agreement as soon as possible.

* * *

OLD AGE PENSIONS

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, when he tabled his budget, the Minister of Finance announced that he would release later this year an old age pension reform proposal. In fact, if we follow the minister's logic, his goal of a sustainable old age pension system can only lead to a reduction in the benefits paid under the current system.

Does the Minister of Finance admit that his old age pension reform proposal, under the pretext of putting in place a sustainable system, is aimed at depriving thousands of seniors of benefits?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Not at all, Mr. Speaker.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, will the Minister of Finance admit that his old age pension reform proposal is aimed at making seniors poorer and replacing the current pension system with a social assistance program for seniors? Will he tell us the truth?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Not at all, Mr. Speaker. The reason why the Minister of Human Resources Development and I intend to release these documents is precisely to avoid the catastrophe the hon. member has just described.

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I would like to pursue the issue of pensions because last year the Liberal government promised that a white paper on aging would be presented to the House before last month's budget. However, like so many of the government's policy initiatives, Canadians are still waiting for the white paper. The promise has been broken.

My question is for the Prime Minister. When can Canadians expect to see this long awaited paper on aging? Will it be tabled before the government embarks on any changes to the CPP or to OAS?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there will be a paper on aging. The Minister of Human Resources Development is working on it. It is very much in line with the reform of social programs.

We said that we have to enter into negotiations with the provinces. There will be discussions with members of the House. There will be committees and eventually resolution of the problem by the House.

I can assure everybody that our goal is to make sure we maintain a very good social security system for retired people in Canada.

• (1425)

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, it is really no secret that the current Canada pension plan is in big trouble. The Minister of Finance stated that unless premiums are radically increased public pensions will not survive to the 21st century.

It is also no secret that when the government wants to act it can. Look how the Liberals acted to protect their own lavish pensions, for example.

My supplementary question is for the Prime Minister. What changes does the government have planned for CPP? Is it higher premiums, increasing the retirement age, or both? Canadians deserve an answer.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as usual Canadian people will have their answers after we have had public discussions with them and with members of the House.

I hope members of the Reform Party will have good ideas about it, but I do not think they will get them from Mr. Gingrich in Washington.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, the delays are disconcerting. We were promised studies but nothing is happening. Canadians do not think the government will be able to provide adequately for their future. They want the government to give them the tools to care for themselves.

Before the ink was even dry on the last budget the government is again floating the idea of taxing RRSPs. Canadians are worried and confused about how they should provide for their retirement security.

Simply, will the government consider replacing CPP with an RRSP style program that gives Canadians more control over their economic future?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I see the problem of the Reform Party. It is trying to build up some straw bonhomme, as we say in English, to shoot at.

Our social programs will be reviewed thoroughly with the participation of all members of the House of Commons. Unfor-

tunately members of the Reform Party will not do a lot to make sure the poorest in society are protected. They will make sure the rich do very well.

* * *

[*Translation*]

SOCIAL PROGRAM REFORM

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

Now that the federal government has announced its decisions concerning social program reform, the Quebec government is requesting that a federal–provincial conference of ministers responsible for manpower be held as soon as possible to discuss the consequences of the federal measures announced, in particular the reduction in transfer payments.

Does the Minister of Human Resources Development intend to call as soon as possible this spring a conference on the impact of his social program reform, as requested by Quebec?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, first of all, I am very pleased to see that the Quebec government has finally decided to participate in federal–provincial discussions on social security. I think that it is a step towards resolving several problems with the social safety net. I hope that the hon. members of the Bloc Quebecois will now follow the lead of their Quebec colleagues and show the same spirit of co–operation as the Quebec government.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, I would like to point out to the minister that the last federal–provincial conference on this issue was scheduled for April 18 and that the previous government was in power at the time.

Here is my supplementary. Will the minister finally agree to comply with the Quebec National Assembly's unanimous resolution, made on April 14, 1994, to abide by the unanimous consensus among all stakeholders that Quebec has to have exclusive jurisdiction over manpower training?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as I have said many times in the House, we have already put forward an offer to all provinces for a new rationalization of our manpower training programs. Several provinces have indicated an interest in responding. We have already signed an agreement with the province of Saskatchewan. We are well into negotiations with several other provinces.

With the new found interest of the Government of Quebec in working with us on social security reform, I would hope we could have serious discussions. I would be more than happy to sit down today with Madam Harel and the Government of Quebec to discuss exactly that.

* * *

• (1430)

TAXATION

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, at the world summit on social development in Copenhagen last Thursday the minister of human resources spoke about his government slapping a tax on automatic teller machine use and an electronic information tax. Is the minister prepared to pop this trial balloon right now?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, at this very important conference of 190 countries both government officials and NGOs were discussing how we could come to grips with the questions of unemployment and poverty. One of the most serious issues was how to deal with the rapid rise of currency speculation where a trillion dollars passes boundaries every single day; 80 per cent of it is pure speculation.

One of the areas discussed was how we could provide deterrence to that kind of large scale disruption of financial markets, disruption of investment and certainly disruption of people's lives. It is very strange when it appears the Reform Party is trying to defend currency speculators.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, that comment is really something else. The average person who goes to an automatic teller machine in Canada is not exactly a currency speculator.

The minister of human resources has stated on a number of occasions that the answer to our unemployment problem lies in information technologies. What does he think he is doing with comments like this? He is discouraging people who are looking at new information technology when he is talking about putting a toll gate on the information highway.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, there is no question new technology provides enormous potential for growth, productivity and development. It is also equally important that as any new technology is introduced, whether it is the automobile, the steel plough or today's new technology, people are affected by it.

The question that was being examined at the Copenhagen conference was whether there can be fair distribution of the benefits, the growth and the wealth being created to ensure all people have equal opportunity for jobs, equal opportunity for a good life and equal opportunity for their children's security.

It is simply a matter of how we ensure proper distribution of benefits, something totally beyond the understanding of Reform Party members.

* * *

[*Translation*]

INTERNATIONAL DEVELOPMENT

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, in its foreign policy statement, the government pledged to get closer to the objective of allocating 0.7 per cent of the GNP to foreign aid. Yet, the recent budget provides for cuts of $1.3 billion over a three–year period. The net result is that Canada will spend less than 0.29 per cent of its GNP on humanitarian assistance, thus reducing its aid to levels unseen since the sixties.

How can the Minister of Foreign Affairs justify his government's decision to reduce food aid to the poorest nations of the world, to a degree well beyond the average level of reduction announced in the last budget, while at the same time forgiving debts of $800 millions incurred by less needy countries?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the hon. member is quite right as regards the need to temporarily reduce the budget allocated to international development assistance.

However, the hon. member is absolutely wrong when he concludes that food aid will be cut. Indeed, he is referring to a document which only gives a partial idea of the moneys which will be allocated to food aid, whether through the efforts of the government within multilateral organizations, or through bilateral assistance programs. I can assure the hon. member that our food aid efforts will remain very significant.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, I read the budget tabled by the minister's colleague, the Minister of Finance. Are we to understand that the scope of the budget cuts affecting Canada's aid to the poorest nations of the world is the direct result of the government's new foreign policy, which gives priority to trade, at the expense of these countries?

• (1435)

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the answer is no. It is obvious that even the hon. member does not think it is the case, since he is choking while asking the question.

* * *

[*English*]

LABOUR

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, my question is for the Minister of Transport.

The current labour situation in the railways could easily lead to a national strike or railway lockout. This would have immediate and devastating effects on the Canadian economy.

When will the minister take action and introduce back to work legislation?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, yes, the railway sector is experiencing some difficulties with labour relations. But I was delighted to learn that Canadian Pacific has reached an agreement in principle with three of its unions, which represent nearly 3,000 employees, on a wage increase, a change respecting job security and social benefits. This agreement is to be submitted to the members for ratification.

I hope that for management and labour, this will be a first step towards reaching an agreement. At this stage it is definitely premature to talk about back–to–work legislation.

[*English*]

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, Canadian farmers took a tremendous hit in the budget and they are willing to do that if they know the government will back them up when it comes to getting their product to market.

What they would like to know is whether this government is willing to introduce back to work legislation as soon as possible to help them a little after the government has knocked the pins out from underneath them.

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, we abide by the Canada Labour Code, and we are urging the parties to negotiate and reach an agreement, which does not mean we are not monitoring the situation very closely. We hope that the parties will negotiate and reach an agreement. That is the position of this government.

* * *

BLOOD SUPPLY SYSTEM

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

Since she was appointed, the minister has answered all our questions about the blood system in Canada by saying we have the best system in the world. However, the facts keep challenging the minister's position on the actual quality of the system.

How can the minister claim we have the best blood supply system in the world when, in an unprecedented move, the Red Cross suspended the director of the Quebec City centre after it failed a Health Canada inspection?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, first of all, Justice Krever has conducted a thorough study of our blood system. In his interim report, he said it was as safe as any system in the world.

Of course we intend to make it the safest system in the world. We did not wait for Justice Krever's report to take our responsibilities very seriously. For instance, we inspect blood centres annually, and as you can see, this suspension came as a result of one of our inspections, and the Red Cross took certain steps in this instance.

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, how can the minister claim she is doing a good job, when 15 months after she was appointed, we are still finding irregularities in Canada's blood system of such proportions that they justified suspending the director of the Quebec City centre?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, it is not Health Canada that asked for the suspension of the director of the Canadian Red Cross in Quebec City. That was a decision of the Canadian Red Cross in Quebec City.

Health Canada has been doing its job in inspecting all facilities once a year. Every time it inspects a facility, it reports on any irregularities it may find and insists the Red Cross take action to correct them.

* * *

ACCESS TO INFORMATION ACT

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, my question is for the Minister of Justice.

Recently on the occasion of the 10th anniversary of the Access to Information Act, the information commissioner identified serious problems with the act, recommended a full review and made recommendations for amendment. In 1987 the justice committee recommended 87 amendments to the act which were never acted upon by the previous government.

• (1440)

I want to ask the minister if he agrees with the commissioner's recommendation and will he order a full review and update of the act?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I acknowledge the hon. member's longstanding interest in the field of information and privacy law. I assure him I am very much aware that the modernization of that law is long overdue.

The Department of Justice is already at work identifying areas where reform can be made. We are reviewing the recommendations from the "Open and Shut" report of 1987, as well as recommendations from the commissioner's most recent annual report in which he made some very good suggestions.

We are examining ways modern information technology can render more effective and less expensive the release of government information. We are also looking at ways to involve the public in consultations.

The agenda before justice is busy. I assure the hon. member and the House we will be coming forward with reforms.

* * *

IMMIGRATION

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, Bonjan Inthavon, a Laotian gang member with a violent criminal history, has been released into the Fraser Valley area in B.C. This thug had been ordered deported. Since the minister's department unbelievably granted him convention refugee status, it is now left to the minister to follow his own legislation to protect Canadian citizens.

Will the minister show some leadership and act immediately under section 19 of the existing legislation to have this criminal removed from the country, as his own officials have already recommended?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, my department did not grant refugee status to that individual or to anybody else. That is adjudicated by the IRB.

The recommendation by our officials to remove this individual according to this section of the act has not yet arrived on my desk. The moment it does I will have no problems acting on it whatsoever.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the Canadian people are looking for assurances in this matter. On March 1 the IRB appeal division turned down Inthavong's appeal of his deportation order and declared his removal order valid in law, citing the importance of safety and good order of Canadian society. The individual can appeal even further.

Why does the minister not follow the law that gives him the obligation to remove people who, there are reasonable grounds to believe, will engage in acts of violence or are likely to participate in organized criminal activities?

Give the Canadian people the assurance that you will act when it falls on your desk—

The Speaker: Hon. members will always remember to address the Chair.

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the member was too busy trying to figure out how to ask a question because I gave him the answer he was looking for in the first round.

I said very clearly that the file has yet to come from Vancouver to my desk. Over the weekend I asked for that file. I have

considered the details and I have no problem with respect to moving on this according to that course of action.

Furthermore, I find it highly ironic that this member continues to get up on individual cases and says get tougher with some of the individuals who abuse the system and yet did not have the courage or the guts to support Bill—

The Speaker: I am sure no hon. member would want to have their courage questioned, especially in this House. Our courage is well known.

* * *

• (1445)

[*Translation*]

PEACEKEEPERS

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Minister of Foreign Affairs. Following the Copenhagen summit for social development, the Croatian President agreed to the European and U.S. proposal to allow peacekeepers to stay beyond March 31, although their number will be reduced from some 15,000 to 5,000. Meanwhile, the situation in the former Yugoslavia continues to deteriorate seriously.

Given the Croatian President's agreement, does Canada intend to keep Canadian peacekeepers in the reduced contingent in Croatia after March 31?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I thank the hon. member for his question, which allows me to express the Canadian government's satisfaction with President Tudjman's decision.

Certainly, we have always felt that, in order to keep the peace in that part of the former Yugoslavia, it was important to maintain a UN contingent to act as an intermediary between the Croats and the Serbs.

A decision as to whether or not we will continue participating in this peacekeeping operation will be made in the next few weeks. As we have done historically, we intend to consult with the opposition parties before referring the issue to cabinet.

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, with regard to Bosnia, can the Minister of Foreign Affairs let us know the government's position on Bosnia, where the ceasefire is increasingly being ignored by the belligerents, some of whom have deliberately fired at the UN special envoy's plane?

[*English*]

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, we are very concerned by the evolution of the situation in Bosnia. Canada supports the Contact Group peace plan. We hope that the parties will accept this peace plan because we believe it is the only one that could lead to a peaceful solution in the former Yugoslavia.

Obviously some parties still believe that through attack and war they could enhance their position on the ground. We think this is folly. We believe that the only solution is a peaceful one, by accepting the Contact Group proposal.

* * *

JUSTICE

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, during this past week in Alberta three more women, one of whom happens to be a former student of mine, were sexually assaulted at knife point, physically beaten and totally traumatized. Two of their attackers were identified by the victims, yet the same brutal, violent perpetrators were released within hours of their arrest.

My question is for the Minister of Justice. When will the minister enact legislation necessary to prevent fully identified brutal rapists from being let back on to the streets?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I will not comment on the facts of the specific cases to which the hon. member has referred. I will assure him that the Criminal Code and its provisions in respect of bail, imprisonment, and parole entirely takes into account the need to protect society.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, that is about as comforting as nothing. I have never in my life believed for a moment that a person could rape and hold a victim at knife point, be arrested at breakfast and be let out by lunch. What kind of justice is that?

When will the minister at least instruct his department to not allow bail for violent rapists?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, if the hon. member would allow fact and analysis to overcome emotion and politics, then perhaps he would focus on the responsibility for prosecution in the province of Alberta.

Mr. Thompson: Have a knife held at your throat and see what emotion you have.

Mr. Rock: It rests with the provincial Attorney General.

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, last Friday the Solicitor General announced the launch of a national flagging system to deal more effectively with high risk offenders. This announcement has been described as a significant move in the right direction.

• (1450)

Can the Solicitor General tell us who will use this system and how will it help protect our communities?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, we look forward to this system being used by crown attorneys across the country. It will enable them to have all relevant information about potential high risk dangerous offenders at the time of prosecution.

Therefore it will help them to develop appropriate strategy for charging and prosecution, particularly for bringing dangerous offender applications at the time of prosecution. If the court accepts such an application the offender will be incarcerated indefinitely.

I believe this will certainly add to the protection of our communities.

* * *

THE ECONOMY

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, my question is about international money speculators and the newly emerging group of global gamblers.

My question refers to comments made by the Minister of Human Resources Development. We were encouraged when he said that in an effort to raise funds to help laid off workers, single parents and young people to find work, the government is contemplating a tax on financial transfers.

My question is for the Minister of Finance. When will he release the details that he plans to take to the summit in Halifax on this new tax proposal?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, as the member knows, the Tobin tax, named after the person who originally formulated it, has been around for quite some time. It is an idea that has been widely debated. It is one that would require some support from all of the industrialized countries to make sure that it is put into effect.

As to the agenda for the upcoming meeting, the Prime Minister will be making that information available in due course.

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, we hope to hear whether the government intends to put it on the agenda.

My supplementary question also refers to comments made by the Minister of Human Resources Development. He indicated at the UN summit on social development that the problems of Canadian child poverty are a direct result of a lack of a national child care program, similar to that found in Sweden.

The child care program was not mentioned in the budget. Could the Minister of Finance give us some indication what the government plans to do now to initiate and develop this promise that was made in the red book.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, if the hon. member for Kamloops would look carefully at the budget papers, he would see that we have put together what we call the human resources investment fund. It is a way of replacing many of the old programs of the previous government and includes a commitment to child care.

I can report to the hon. member that we have already started discussions with the aboriginal community to begin dealing with development of child care spaces on reserves. We have made an open offer to the provinces to have a similar discussion with them when they are ready to talk with us about it.

We still plan to continue to meet our red book commitment on child care.

* * *

[*Translation*]

MIL DAVIE SHIPYARDS

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, my question is for the Minister of Industry.

It will be remembered that Ottawa had agreed to approve the recovery plan of the last shipyard in Quebec on the condition that MIL Davie workers sign a new work agreement. Well, this condition has now been met, since a new work agreement was approved yesterday.

Now that the workers have signed a new work agreement with MIL Davie, does the federal government intend to live up to its part of the deal concerning the shipyard's recovery plan and help to modernize its infrastructure?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the decision made by MIL Davie workers certainly was a positive first step towards accomplishing what needs to be done, which we are all concerned about. We have indicated on several occasions that we are not prepared to grant massive assistance to any company.

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, am I to understand that the Minister of Industry admits that he must now take his responsibilities and confirm that the federal government will participate in MIL Davie's recovery plan by putting the company in charge, as a transitional measure, of developing a multipurpose Smart Ship?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, it is very interesting to hear the formulation of this question. I am sure the member knows that the shareholder of MIL Davie is the government of the province of Quebec.

• (1455)

I find it difficult to understand why the responsibility of the shareholders should not be recognized in what is essentially a commercial problem.

* * *

CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the budget is eliminating 45,000 public service jobs, with thousands from most departments.

Can the Minister of Foreign Affairs explain why CIDA is being cut by $300 million but is only losing a ridiculously low 11 positions out of 1,241?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I want to assure the hon. member that the cuts in personnel will be around 15 per cent.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the government said it would be cutting executives from the top of the ministries, not from the bottom.

Can the Minister of Foreign Affairs explain why the number of senior executives who earn over $80,000 a year will be cut from 92 positions to 90 positions according to this year's estimates? Is eliminating only two positions the minister's idea of cutting from the top?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the hon. member has looked at the document that has been published. I do not quarrel with him. I think the document is incomplete.

We are looking at a substantial reduction over a three–year period. As this is completed, taking into account the human element, he will see that the reductions will be by 15 per cent and will apply to senior officials in CIDA.

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THE ATLANTIC GROUNDFISH STRATEGY

Mr. Derek Wells (South Shore, Lib.): Mr. Speaker, my question is for the Minister of Human Resources Development. There are concerns with the current TAGS appeal process. This has been acknowledged by the minister who committed a few weeks ago to quickly address the concerns of thousands of fishermen with the appeal process.

Can the minister report to the House on what concrete action he has taken to ensure that the appeals process is fair to all TAGS applicants?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I would like to thank the hon. member both for the question and for the interest he has shown in this very important program to help the fish workers and fisher people in Atlantic region.

As a consequence of his representations and those of the member for Burin—St. George's a few weeks ago, the minister of fisheries and I last week established an independent review panel to provide a full, impartial, arm's length review of all TAGS applications for those that feel the program has not met their needs exactly.

As announced last week, the program will be up and running by the end of the month.

* * *

IMMIGRATION

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I would like to again pursue the case of Bojan Inthavong with the minister of immigration. This young thug from my community participated in the murder of a 17–year old youth. He was ordered deported and two years later had an appeal. It was dismissed. During the interim he was given refugee status.

Now I understand that a judicial review may be forthcoming. I would like the minister to explain what is the value of a judicial review after a deportation appeal has been dismissed?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the judicial review has nothing to do with my department but it indicates there are certain individuals who flagrantly break the law and abuse the regulations.

It is precisely for that reason that we have Bill C–44. It is not the be–all–and–end–all but is one piece of legislation that tries to come to grips with individuals that abuse the refugee stream. It would allow the government to pull the individual from the refugee stream and move that individual into an immigration inquiry with subsequent deportation.

This side of the House not only wants to protect legitimate refugee claimants but also wants to rid the system of those who fraudulently abuse the system, making it worse for those who are legitimate.

Why does the Reform Party not support Bill C–44?

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[*Translation*]

NATIONAL DEFENCE

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, my question is for the Minister of National Defence.

Last week, we learned that Charles Scott, an individual who openly admits to being a white supremacist, teaches hand to hand combat to soldiers of the Canadian Forces.

• (1500)

How can the minister of defence justify that an acknowledged racist trains Canadian soldiers on a voluntary basis, and does the minister endorse the comments made by Major Doug Martin, who does not see any problem since that individual is not paid for his work?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, this occurred in 1992 at CFB Chilliwack and involved the reserve forces.

A former British commando was brought in for instruction. He happened to bring someone else along. Neither was paid by the Department of National Defence and the kind of instruction that was given to those young men was not in conformity with the normal training of the armed forces.

I have asked our officials to look into why the commanding officer at the time did not report what was obviously some behaviour that was not ordered by the military and not paid for by the armed forces.

* * *

PRESENCE IN THE GALLERY

The Speaker: I would like to draw to the attention of members the presence in the gallery of Mr. Chalermphol Sanitwongchai, First Deputy Speaker of the House of Representatives of the Kingdom of Thailand and three of his fellow parliamentarians.

Some hon. members: Hear, hear.

* * *

PRIVILEGE

BUDGET SECRECY

The Speaker: On Friday before we broke, the hon. member for Sherbrooke brought up a question of privilege.

At that time the Chair said we would wait to make a decision until we heard from the member who had allegedly made certain comments.

I have received notice in writing that the hon. member for Guelph—Wellington would like to speak to this question of privilege.

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, I rise today to respond to a question of privilege raised by the hon. member for Sherbrooke on March 3, 1995.

On March 2, I was contacted by the chief government whip. He informed me that a possible question of privilege could be raised in the House. Following the conversation, I prepared a written statement for the chief government whip and for all members of the House of Commons.

This statement was put on the record by the government whip on March 3 and I thank him. The Hill *Times* column discussed at length by the hon. member for Sherbrooke on March 3, 1995 contains a quote by me regarding the budget.

In my comments to the Hill *Times* I was referring to the measures announced by the President of the Treasury Board on February 21, 1995. These measures were presented publicly prior to the budget and resulted from concerns as expressed by members of all parties, including the Liberal caucus, for the future downsizing of the public service.

The number of public servant reductions was not known until the budget, although measures such as the early retirement incentive and the early departure incentive were announced earlier.

While never informed of the details, we were told the budget would be tough but fair. I was not privy to any confidential information, nor am I aware of any other member's having knowledge of the contents of the budget before it was presented to all Canadians.

We know the importance of budget secrecy. It is a tradition, respected and practised by the Minister of Finance. I appreciate the opportunity to provide my response to the question of privilege raised the previous sitting day.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, it would be valuable for the entire House to have clarified in the question of privilege whether the article as reported in the Hill *Times* is inaccurate. The heading says: "Is there too much secrecy surrounding the budget?" The member did respond to that.

The quotation talks about major cuts to programs rather than a downsizing of the civil service which was announced prior to the budget in a general way.

There are some specifics quoted in this paper that were not responded to by the member. This House deserves a more clear response. Either this is wrong or else the member is not clear in her response.

• (1505)

The Speaker: I have had the opportunity to reread *Hansard* of Friday, March 3. I will be seeing the television recordings later this afternoon.

I will reserve my decision now that the hon. member for Guelph—Wellington has explained what she said. I will come back to the House with a decision at the earliest possible time if necessary.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

[*English*]

COMMONWEALTH DAY

Hon. Christine Stewart (Secretary of State (Latin America and Africa), Lib.): Mr. Speaker, today is Commonwealth Day, observed every year on the second Monday in March by all its member countries to celebrate the Commonwealth, its value and principles.

Built on common traditions, the Commonwealth successfully demonstrates the continuing importance of multilateral co–operation. Its strength is unity with diversity.

The Commonwealth now consists of 51 countries and 1.5 billion people of different languages, races, faiths and traditions. It serves as a forum for both governmental and non–governmental dialogue on a vast array of subjects from health and justice to youth, education and development.

Last year Canada hosted the very successful Commonwealth Games in Victoria, celebrating sport, art, culture and friendship.

Canada has been part of the Commonwealth since its inception in 1931 and takes pride in its many accomplishments. The first secretary general, Arnold Smith, a Canadian, helped strengthen the foundations on which the Commonwealth continues to stand.

Last year was a momentous year for the Commonwealth with the return of South Africa following its first free elections. The Commonwealth had pushed hard for an end to apartheid and Canada believes it should continue to act as an instrument to promote democracy and human rights.

Later this year the Commonwealth heads of government will meet in New Zealand, giving the leaders an opportunity to discuss world issues in an informal, unstructured manner. We value this opportunity to renew our relationship with other Commonwealth nations and to elaborate on Canadian foreign policy objectives.

I urge all members to join me today in saluting the Commonwealth.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, on behalf of all the Bloc Quebecois members, I am pleased to note that today is Commonwealth Day. Last year, my colleague for Laurier—Ste–Marie had the opportunity to express, on this commemorative occasion, the importance of Canada's membership in the Commonwealth and to note that a sovereign Quebec would wish to remain a member of this organization in order to maintain and strengthen its relations with the 51 member countries.

The Secretary of State rightly noted South Africa's return to the Commonwealth. As you know, Mr. Speaker, Canada applied enormous pressure to bring about the end of apartheid.

This is therefore the time to remind the government today how regrettable it is that it decided to turn its back on the promotion of human rights and democracy, despite what the Secretary of State would have us believe, by setting a course according to its commercial interests alone, with South Africa just now having had its first free elections.

It is this same mercantilistic logic that prompted the government to cut more than $1.3 billion over three years in international aid, thus dropping its assistance to the planet's poorest people and countries to nearly 0.29 per cent of its GNP. This action confirms the government's change in course.

• (1510)

How can this government, which committed itself, in its statement of foreign policy, to moving closer to objectives of 0.7 per cent, justify that, within the international budget, programs intended for the most disadvantaged that are being cut more than those with a mercantilistic focus?

Are we to assume that the international aid program, which has earned Canada the profound respect of the international community, will also be based on the new Liberal policy of promoting business first and foremost? The government will definitely have some accounting to do when it participates in the next Commonwealth meetings in New Zealand. Canada must give meaning to its membership in the Commonwealth.

[*English*]

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I am very happy today to have the opportunity to speak on Commonwealth Day, celebrated in 51 countries around the world.

As the secretary of state mentioned, Canada has been a proud member of the Commonwealth since 1931. Over the years Canada has established a leadership role in the Commonwealth

and provided an example for other countries to follow. It must therefore appear strange to our friends and partners in the Commonwealth that there are still separatists in Quebec who want to break up this great country.

I think everyone will see in the referendum this year, though, that the vast majority of Quebecers would rather stay to build a nation of prosperity and harmony than pursue their own narrow interests. With the referendum behind us a united Canada will continue to be a model for the Commonwealth ideal of unity with diversity.

Since this is Commonwealth Day it is only fair that we consider the renewal of this partnership and its institutions. As all parliamentarians now admit, Canada must do more with less. Therefore it is essential that the Commonwealth review its goals and practices to make sure that all member countries are receiving the greatest possible benefits. I trust that the minister will carry this to the meeting in New Zealand.

The Commonwealth has proven over the years the value of international co–operation through multilateral organizations. All member states can benefit through such a process. It is therefore fitting that Canada should set aside one day a year to remember Commonwealth Day.

* * *

SUPPLEMENTARY ESTIMATES (D), 1994–95

REFERENCE TO STANDING COMMITTEE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I think you will find unanimous consent for the following motion:

> That, notwithstanding the resolution of this House adopted on March 2, 1995 to refer vote 30d of the estimates of the Department of Finance to the Standing Committee on Finance, the said vote 30d of the said estimates is hereby withdrawn from the Standing Committee on Finance and referred to the Standing Committee on Public Accounts.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to.)

* * *

PETITIONS

LEONARD PELTIER

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I have two petitions on a similar topic. In the first petition, with 200 signatures, the undersigned draw to the attention of the House that at the time of Leonard Peltier's extradition from Canada to the U.S. the information provided to the Canadian government regarding Mr. Peltier's case was fabricated by U.S. authorities.

Since that time new information has emerged that indicates Leonard Peltier was framed for a crime he did not commit and has spent the last 18 years in prison for. Clear evidence was suppressed, as found out under the freedom of information act. Perjury was rampant throughout the trial. Key witness Myrtle Poor Bear recanted publicly.

Therefore, the petitioners request that Parliament lobby the U.S. government for Mr. Peltier's return to Canada.

The second petition is similar. It has over 400 signatures. The petitioners request that Parliament hold an external review of the 1976 extradition hearings and that he be brought back to Canada for asylum.

• (1515)

HUMAN RIGHTS

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, pursuant to Standing Order 36, I am presenting today a petition from Heidi Peterson of Quyon, Quebec, in my riding and 40 other petitioners requesting that Parliament oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms that provide for the inclusion of the phrase sexual orientation.

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have two petitions to present.

In the first one the undersigned petitioners of Canada draw the attention of the House to the fact that the inclusion of sexual orientation in the Canadian Human Rights Act will provide certain groups with special status, rights and privileges. These special rights and privileges will be granted solely on the basis of sexual behaviour. Inclusion would infringe on the historic rights of Canadians such as freedom of religion, conscience, expression and association.

Therefore they petition Parliament to oppose any amendment to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms that would provide for the inclusion of the phrase sexual orientation.

The second petition is more or less in the same tone. It calls on Parliament not to amend the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

[*Translation*]

VOICE MAIL

Mr. Gérard Asselin (Charlevoix, BQ): Mr. Speaker, it is my pleasure to table in this House today three petitions signed by 96 residents of the riding of Charlevoix. The petitioners are opposed to the plan to use voice mail for seniors services. I would

like to inform the House that I share the opinion of the petitioners.

[*English*]

GOVERNMENT EXPENDITURES

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I have the privilege today to present two petitions.

The first petition has a total of 125 signatures from Calgary area constituents calling on Parliament to reduce government spending and implement a taxpayers protection act to limit federal spending.

HUMAN RIGHTS

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, the second petition has a total of 32 signatures from Calgarians who ask Parliament to amend the Canadian Human Rights Act to protect individuals from discrimination based on sexual orientation, sending a clear message of equality for everyone.

GUN CONTROL

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I have the honour to present eight petitions signed by over 2,000 constituents from my riding of Cariboo—Chilcotin.

The petitioners are of the opinion that existing gun controls on law–abiding responsible firearms owners are more than enough to ensure public safety.

Therefore they call upon Parliament, first, to support laws that will severely punish all violent criminals who use weapons in the commission of a crime; second, to support new Criminal Code firearms control provisions that recognize and protect the right of law–abiding citizens to own and use recreational firearms; and, third, to support legislation that will repeal or modify existing gun control laws that have not improved public safety, or have proven not to be cost effective, or have proven to be overly complex so as to be ineffective or unenforceable. I concur with the petitioners.

GOVERNMENT EXPENDITURES

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I also present a petition signed by over 700 constituents from the city of Quesnel.

The petitioners pray and request that Parliament reduce government spending instead of increasing taxes and implement a taxpayers protection act to limit federal spending. The petition is presented with my concurrence.

HUMAN RIGHTS

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I also present a petition signed by 25 people from Quesnel.

The petitioners call upon Parliament to oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms that provide for the inclusion of the phrase sexual orientation. The petition is presented with my concurrence.

I also present a petition from constituents in Williams Lake. The constituents request that Parliament not pass Bill C–41 with section 718.2 as presently written and in any event not include the undefined phrase sexual orientation. The petition is presented with my concurrence.

RIGHTS OF THE UNBORN

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I present a petition containing over 100 signatures mainly from Quesnel in my constituency of Cariboo—Chilcotin.

The petitioners pray that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings. The petition is presented with my concurrence.

• (1520)

GOVERNMENT EXPENDITURES

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I have the honour to present three petitions signed by over 250 constituents from Williams Lake, Quesnel, Horsefly, 100–Mile House, 150–Mile House and Alexis Creek.

The petitioners pray and request that Parliament reduce government spending instead of increasing taxes and implement a taxpayers protection act to limit federal spending. The petition is presented with my concurrence.

[*Translation*]

ASSISTED SUICIDE

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, these petitioners recognize that the majority of Canadians respect the sanctity of life. They want the government to prohibit assisted suicide. They do not want the law to be amended in any way to make suicide legal.

[*English*]

VIOLENCE

Mr. Ronald J. Duhamel (St. Boniface): Mr. Speaker, I wish to present another petition in which the petitioners point out that unnecessary violence and abuse of all forms, be it verbal, physical or other, in society in general, on radio or on television has become a serious problem. They point out that it is neither necessary to inform nor to entertain.

The petitioners want government to ensure the CRTC controls these kinds of abuse and violence. They applaud some of the initiatives taken recently to modify and reduce abuse and violence on radio and television.

SENIORS

Mr. John Maloney (Erie, Lib.): Mr. Speaker, pursuant to Standing Order 36 I am pleased to present a petition on behalf of over 70 senior citizens from the Fort Erie area of my riding.

The petitioners ask Parliament to consider that many senior citizens have difficulty living on their current incomes. They ask that their voices and concerns be taken into account when we initiate federal policy.

The seniors ask that we as parliamentarians prevent cuts to the social benefits of senior citizens.

CRIMINAL CODE

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, I wish to present a petition signed by some 144 constituents of Carleton—Charlotte from the Nackawic, Temperancevale, Millville, Prince William and Dumffries areas.

The petitioners call upon Parliament to request that the government disallow the defence of extreme intoxication as used recently in the courts and amend the Criminal Code accordingly.

GUN CONTROL

Mr. Derek Wells (South Shore, Lib.): Mr. Speaker, I rise today to table a petition signed by 520 people mostly from Lunenburg, Queens and Shelburne counties in my riding of South Shore.

The petitioners are opposed to the implementation of further gun controls, specifically registration; further restrictions on the sale of ammunition; and the restriction or prohibition of certain handguns.

They feel the legislation unfairly targets gun owners and will do little to deter the criminal use of firearms.

GOVERNMENT EXPENDITURES

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, I have only one petition to table pursuant to Standing Order 36. It is signed by 115 constituents mainly from the town of Assiniboia.

The petitioners pray that the government not consider further tax increases. They pray and request that Parliament reduce government spending and implement a taxpayers protection act to limit federal spending.

Unfortunately the petition is moot, the budget disaster having already happened.

HUMAN RIGHTS

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, I have several petitions to present today. The first one is in opposition to any move by the government to include the term sexual orientation in the Canadian Human Rights Act.

It is from petitioners ranging from Moncton, New Brunswick, to Dover, New Brunswick, to Ottawa, Ontario, and right into British Columbia. I am very proud to say that I support the petition.

GUN CONTROL

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, I am also proud to present today a petition from the people of New Glasgow, Nova Scotia, and area who are very opposed to Bill C–68.

They wish the government to pursue other means of enforcing current firearms legislation and not to introduce new legislation that would turn law–abiding gun owners into criminals.

The Deputy Speaker: Order, please. There are so many members waiting that perhaps the member could present the others at another time in order to be fair to everybody.

HUMAN RIGHTS

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, pursuant to Standing Order 36, it is my duty and honour to rise in the House to present a petition, duly certified by the clerk of petitions, on behalf of 25 constituents of Galiano Island.

The petitioners call upon Parliament to amend the Canadian Human Rights Act to protect individuals from discrimination based on sexual orientation.

• (1525)

Ms. Mary Clancy (Halifax, Lib.): Mr. Speaker, I rise to present petitions from constituents of mine, people from Ottawa and all across the country.

They contain hundreds of names and call upon Parliament to act quickly to amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation and to adopt all necessary measures to recognize the full equality of same sex relationships in federal law.

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, I have a petition from constituents of Thunder Bay—Atikokan and Thunder Bay—Nipigon requesting that Parliament not amend the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way that would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

VIA RAIL

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, the second petition requests that Parliament reinstate the VIA Rail passenger train service in Thunder Bay with appropriate connecting service throughout the country.

The petitioners pray that Parliament will view the reinstatement of VIA Rail as a positive step for the environment, economic development in the community, and the comfort and safety of its citizens. I strongly support the latter petition.

GUN CONTROL

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I present a petition on behalf of a number of residents of P.E.I.

The petitioners humbly pray and call upon Parliament to desist from passing additional restrictive legislation with respect to firearms or ammunition and to direct its attention to the apprehension and adequate punishment of those who criminally misuse firearms or other deadly weapons.

HUMAN RIGHTS

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I have three petitions to present today. The first one is from Banff and area. It requests that sexual orientation not be included in section 718.2 of Bill C–41.

GUN CONTROL

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, the second petition is from petitioners from the Strathmore area. They ask that Parliament support laws that punish all violent criminals who use weapons in the commission of crime and support code firearm provisions that protect the rights of law–abiding citizens to own recreational firearms.

The Deputy Speaker: I am sorry but there are too many people waiting.

HUMAN RIGHTS

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, I have several petitions to present. I will lump them together.

The first petition with 474 signatures is on sexual orientation. The petitioners pray and request that Parliament not amend the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way that would tend to indicate societal approval of same sexual relationships.

ASSISTED SUICIDE

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, I have a petition on euthanasia with 309 signatures. The petitioners pray that Parliament not repeal or amend section 241 of the Criminal Code in any way and uphold the decision of the Supreme Court of Canada on September 30, 1993 to disallow assisted suicide or euthanasia.

RIGHTS OF GRANDPARENTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, I present even more petitions on behalf of Canadian grandchildren to be able to see, talk with and visit their grandparents.

The petitioners ask that Parliament amend the Divorce Act to include a provision to help recognize children's access to their grandparents.

Mr. Riis: Mr. Speaker, I rise on a point of order. I appreciate your trying to arrange for the maximum number of members to present petitions.

Since the 15–minute rule is an arbitrary rule and we regularly alter the standing orders to meet the needs of members, could I suggest that today we do not see the clock to allow people who have been away for the past week ample opportunity to present petitions on behalf of their constituents?

The Deputy Speaker: Is there unanimous consent not to see the clock?

Some hon. members: Agreed.

An hon. member: No.

HUMAN RIGHTS

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I have five petitions to present today. I will be brief. Two of them reflect on sexual orientation, saying that Parliament shall not include sexual orientation.

GOVERNMENT EXPENDITURES

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I also have two petitions asking for limitation of federal spending.

YOUNG OFFENDERS ACT

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, I have a final petition to present that talks about deterring young people from committing crimes by changing the Young Offenders Act.

GUN CONTROL

Ms. Roseanne Skoke (Central Nova, Lib.): Mr. Speaker, I have 20 petitions containing the same subject matter. They contain 3,300 signatures from my riding of Central Nova.

The petitioners support the ownership and responsible use of firearms. They believe that there are already adequate existing laws governing the ownership, sale, use, transportation and storage of firearms. They oppose any new firearm registry or registration fees, new costs, or any further restrictions on firearms.

They ask Parliament not to enact any new firearm registration fees, costs or any further restrictions on the ownership, sale, use, transportation or storage of firearms.

I have already placed the concerns of my constituents on record today at second reading debate.

The Deputy Speaker: Unfortunately the time to present petitions has expired.

• (1530)

QUESTION PASSED AS ORDER FOR RETURN

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if Question No. 131 could be made an Order for Return, the return would be tabled immediately.

The Deputy Speaker: Is it the pleasure of the House that Question No. 131 be deemed to have been made an Order for Return?

Some hon. members: No.

[*English*]

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

FIREARMS ACT

The House resumed consideration of the motion that Bill C–68, an act respecting firearms and other weapons, be read the second time and referred to a committee; and of the amendment.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I will continue my comments on Bill C–68 concerning the inclusion of replica firearms in this bill and whether it will solve the problem. Unfortunately it does not. It is just a small step in the right direction.

Someone who uses a replica firearm during the commission of an offence will now be subject to the minimum one–year consecutive sentence. In reality, this will generally be the maximum sentence as well. It is a good first move but unfortunately that is as far as this bill goes in addressing the situation.

For serious violent offences where a firearm is likely to be used such as robbery, hostage taking or sexual assault with a weapon, to get the new minimum sentence of four years the crown will still have to prove that the object used was a firearm.

In the case of a robbery there will be a witness who saw the criminal waving an object that looked like a firearm. Security cameras will show the criminal waving an object that looks like a firearm. However, unless the firearm is fired or the offender is immediately arrested, there will not be any convictions under this section. In the majority of instances the crown will still be faced with the impossible task of proving that the object met the legal definition of a firearm.

In reality, C–68 will mean that criminals who pull off robberies with real firearms will likely only get an additional one–year sentence for possession of a replica firearm during the commission of an offence as the criminal will claim the object he used was only a replica and the crown will not be able to prove otherwise. This is simply not good enough.

A second aspect of this bill that the Liberals are giving a great deal of acclaim to is the new minimum sentence of four years for any of 10 specific violent offences with a firearm.

My private member's bill called for a minimum sentence for using a firearm during the commission of an offence to be raised to five years. This sentence was to run consecutively to the sentence for the actual crime. Therefore, I suppose those of us calling for a greater minimum sentence should be happy with the minimum of four years.

In all honesty I would be satisfied if the government had introduced a minimum four–year sentence for using a firearm during the commission of an offence if this sentence had been consecutive to any sentence for the actual offence. However, this is not what the government has done. Instead it has created a combined minimum sentence of four years for both the crime and the use of a firearm.

What difference is this going to make? Not much. What about repeat offenders? Unlike section 85 which calls for an increased minimum sentence for repeat offences, there is no such increase for those criminals who repeat their violent crimes with firearms.

The amendments I would suggest are a joke. The minister's press release makes it sound like the government is getting tough on criminals who use firearms but in reality these changes will not result in increased sentences for those who use firearms. At best it will maintain the status quo. In some cases, the length of the sentence will likely decrease.

A four–year minimum sentence for manslaughter with a firearm is a joke, pure and simple. The average sentence for manslaughter is already four years. How is this minimum going to have any deterrent effect? It is not.

My private member's bill called for a minimum five–year sentence for the use of a firearm during the commission of an offence to be served consecutively to any sentence for the offence itself in a first offence and a minimum of 10 years for a second offence. The difference is very simple. Under Bill C–68 a first time armed robber will more likely serve a four–year sentence which is a decrease from the current going rate of five years. Under my bill a first time robber using a firearm would likely serve a four–year sentence for the robbery and an additional five years for using a firearm for a total of nine years.

• (1535)

Which one sends a greater message of condemnation of using firearms during the commission of an offence? Which one is likely to deter criminals from using firearms during the commission of an offence?

The concern I have in separating these two parts under C–68 is that part III will be left out of the discussion. It is very important to Canadians that part III, the criminal use of firearms, be dealt with separately from the national registration.

In dealing with C–41 there have been two words that have taken over the debate: sexual orientation. I would suggest that national registration is going to take over the debate of this gun control legislation and the criminal use of firearms is going to get lost in the discussion.

It is very important that we separate those two and allow for Canadians, the committee and all parliamentarians to take a close look at what this government is suggesting for maximizing the deterrence to the criminal use of firearms.

I feel it does not go far enough. We should have ample opportunity to deal with that and not just talk about the national registration program.

[*Translation*]

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, our standard of living, our social and economic standing make us the envy of the whole world. The elevated status Canada enjoys is not a coincidence: it is the result of women and men of strong will who imprinted principles and values on our country as it grew.

[*English*]

If one principle has guided this House since the beginning, it is an unwavering commitment to preserve a peaceful nature in our society. At times this commitment has meant taking a stand on some very controversial issues. It has also meant introducing groundbreaking legislation such as this bill on firearms control, Bill C–68.

Controversy has never kept us from protecting the values and the ideals Canadians so rightly deserve and consider their own. These values include the rights to liberty and personal safety which are now enshrined in our charter of rights and freedoms.

In this respect, the firearms control legislation introduced by my colleague the Minister of Justice will undoubtedly make history. Every effort has been made to ensure that Canadians who use guns responsibly will be able to continue to do so.

For example, the Minister of Justice has asked the Standing Committee on Justice and Legal Affairs to consider whether or not some handguns, for example those used in target shooting competitions, should be exempted from the proposed ban. This kind of careful consideration given by the minister will help ensure that the legitimate use of firearms is permitted.

However, we all know that firearms are often used irresponsibly. This bill addresses the use of weapons and the violence they inflict on our society. It not only deals with firearms but also with the shadow of fear they cast upon all of us. In fear and in violence there are no rights and no freedoms, just victims.

Some disregard violence due to firearms because they claim it does not reflect the Canadian spirit. Indeed, Canada does not have a tradition of individuals carrying firearms for self–protection. Hopefully what one might call the gun culture that prevails in the United States will never cross our borders. Nevertheless, violence is real. Statistics can only begin to describe the pain and suffering firearms inflict on their victims.

Over the last 10 years firearms were responsible for 32 per cent of all homicides committed in Canada. Every year on average, 1,400 Canadians lose their lives to them. Of those deaths, 1,100 are suicides. Many of those lives could have been saved if firearms were not so readily available to individuals in distress.

Since 1970, 470 children have died in Canada as a result of mishandled firearms. Those figures are shocking to most Canadians. Those children deserved a future. Those children deserved the right to dream. Those children should never have been exposed to this kind of danger.

• (1540)

That is why firearms control and registration are so important to Canadians. Denial will shelter no one from a stray bullet. Every Canadian will benefit from this legislation.

Statistics show that Canadian women support this legislation wholeheartedly. From statistics we know that in this country every six days a woman loses her life to a bullet, most often at the hands of someone she knows. Almost always it is in her own home.

In the years between 1974 and 1992, 42 per cent of women murdered in domestic incidents were shot by their husbands. Eighty–five per cent of domestic murders with firearms are committed with either a rifle or a shotgun. Eighty–two per cent

of the guns that are used to kill women are legally owned at the time of the shooting.

An hon. member: Registering them will not help.

Mrs. Finestone: If this sickening truth cannot impact on your attitudes across this floor—

The Deputy Speaker: The member is an experienced member and I would ask her to please address all of her remarks to the Chair.

Mrs. Finestone: Mr. Speaker, it is the sickening truth that firearms are the weapon of choice for men who murder their wives. I was trying to point out that my colleagues across the floor need not laugh at this moment. It is a serious moment in this debate.

In 1987 the English writer Martin Amis wrote: "Bullets cannot be recalled. They cannot be uninvented. But they can be taken out of the gun". I would add that the safest way is to take the guns away.

As a government we must introduce strong legislation to maintain the peaceful nature of our communities. This responsibility begins with the implementation of tighter firearms control laws. I unconditionally support the legislation presented by my colleague the Minister of Justice.

[*Translation*]

This bill reflects the wishes of the majority of Canadians. According to surveys, up to 70 per cent of all Canadians want stricter gun controls.

Several large national groups, such as the association of chiefs of police, have endorsed this initiative. Teachers' federations have stated that measures, like the Minister of Justice's bill, were needed to counter violence in our schools.

[*English*]

Nationally, women have spoken out on this issue for years. Women's organizations from across the country and from a wide variety of societal and cultural backgrounds have been calling for tougher gun control laws for a long time. They have asked for tighter restrictions and I am proud to say that we are now responding.

Perhaps the most eloquent support for this initiative and for the Minister of Justice came from Suzanne Laplante Edward who said: "I think this guy is going to go down in Canadian history. This man just wants Canada to be safer". Mr. Justice Minister, we all agree with that statement. She knows what she is fighting for. Her daughter was killed at l'École polytechnique five years ago. Since then Mrs. Laplante Edward has worked relentlessly for firearms control.

Indeed this legislation is an achievement. It is the kind of initiative that brings about positive social change and preserves our quality of life.

It takes decisive action against automatic firearms. As of January 1, 1995, 21 types of assault guns will have been prohibited. Handguns with no legitimate purpose will be prohibited.

The firearms control legislation recognizes the need for increased and more effective sanctions for the misuse of firearms.

Contrary to an observation made just a few moments ago, four years is the beginning and not the end of the term. It introduces stiff minimum penalties that will serve as true deterrents. For the first time, mandatory minimum sentences of four years in prison in addition to a lifetime prohibition from possessing a restricted weapon are introduced for a series of violent offences including sexual assault with a weapon and aggravated sexual assault.

Anybody charged with criminal harassment, better known as stalking can be temporarily prohibited from owning a firearm. That will save women's lives.

• (1545)

Third, the package sets tougher regulations on lawfully acquired firearms. It creates a national registration system for all firearms. Let us not forget that it is often a legally acquired firearm that is used in domestic violence. The shotgun over the mantelpiece is even more threatening to women than the illegal firearms across our border. Keeping track of property for the purpose of information and regulation is commonplace in our society.

I am going to finish with a quotation from an editorial in *La Presse*:

[*Translation*]

The editorial asked whether we could imagine a citizen owning a car without being licensed to drive, without a licence plate, without insurance, without driving within the speed limits, parking the car any which way and anywhere and leaving the key in the ignition? Of course not. So, why must we accept that a gun owner be entirely free to purchase, own, hide, store and use the gun of his or her choice.

There are six million—

[*English*]

The Deputy Speaker: The minister's time has expired. Unless there is unanimous consent for the member to continue I have to go to the next speaker.

[*Translation*]

I wish to inform the House that because of the ministerial statement, Government Orders will be extended six minutes, pursuant to Standing Order 33(2).

Mrs. Christiane Gagnon (Quebec, BQ): Mr. Speaker, I will start by analyzing briefly the arguments in favour of the bill and then I will address the problem of violence against women within this debate.

First, I wish to remind this House that this bill is supported by a great many social groups and professionals in the police, legal, health and social communities. I will name only a few, which come under the umbrella of the Coalition for Arms Control.

They are the Canadian Association of Chiefs of Police, the Federation of Canadian Municipalities, the Canadian Bar Association, the Canada Safety Council, many churches, the Quebec public health network, the Quebec hospital association, many universities and school boards, many unions, the AFEAS and other women's groups and community organizations. Such agreement on an issue that may seem controversial has rarely been seen in Canada and Quebec.

The intense lobbying campaign now under way would suggest that the population is very divided on arms control, but such is not the case. The polls clearly show that the reality has always been otherwise.

Allow me to quote a few of these polls. In December 1989, better arms control was supported by 72 per cent of Canadians and 87 per cent of Quebecers. By January 1991, this support had climbed to 80 per cent of Canadians and 90 per cent of Quebecers. Two years later, in September 1993, universal weapon registration was favoured by 86 per cent of Canadians and 91 per cent of Quebecers. Regarding the sale of firearms, 77 per cent of Canadians and 87 per cent of Quebecers were of the opinion it should be governed by stricter legislation.

As for those directly concerned, i.e. firearm owners, in September 1993, sixty–eight per cent of them supported the idea that all weapons should be registered. This goes to show that the public fears firearms and wants firearms to be better regulated.

Several reasons militate in favour of stricter gun control. The Coalition for Gun Control listed a few. Here are some of the reasons stated: people are safer in a gun–free environment; firearms facilitate suicide; there is much more violence involving firearms in Canada than in most European countries. The current legislation is inadequate in many respects, including accessibility to military assault weapons, absence of a registry of all firearms in circulation, lack of a ceiling on the number of firearms that one can buy and lack of control over the sale of ammunition.

All these reasons justify much closer monitoring of the possession and use of firearms.

Now, moving to a more specific concern of mine: violence against women. There is a direct link between the violence women are subjected to and firearms. I will start by addressing spousal abuse.

It will be recalled that Statistics Canada published the results of a comprehensive survey in October 1993.

• (1550)

It showed that one Canadian woman in every four had been abused by her current spouse or a previous spouse and that 45 per cent of abused women were abused by men they knew. A study conducted by two researchers from the Canadian Center for Justice Statistics and published in March 1994 dealt with the most extreme form of spousal abuse: homicide. Among their findings, the most striking are the following:

For each man killed by his wife, there are on average 3.2 women killed by their husbands. From 1974 to 1992, married women were nine times more likely to be killed by their own spouse than by a stranger. The number of women killed by their spouses after separating is high. During the 18–year period covered by the study, from 1974 to 1992, 1,435 women and 451 men were killed by their spouses. The 1,435 women killed accounted for 38 per cent of all adult women who were murdered, while the 451 men killed by their wives represented 6 per cent of murdered adult men.

Let us now see the link between violence against women and gun control. Another study conducted by Statistics Canada and entitled "Family Violence in Canada" shows that, between 1974 and 1992, forty–two per cent of women murdered by their spouses were killed by a firearm. These eloquent figures are supported by the findings of Mr. Maurice Cusson, director of the École de criminologie at the Université de Montréal, and his research assistant, Mrs. Raymonde Boisvert. In a study entitled "L'homicide conjugal à Montréal: ses raisons, ses conditions et son déroulement", the authors examined the reasons behind, and the circumstances surrounding every spousal homicide committed on Montreal Island between 1954 and 1962, and also between 1985 and 1989.

The authors first found, as women's support groups have been saying for a long time, that control by men is the dominant factor in spousal homicides. This is true for both periods, that is before and after the quiet revolution. The authors also note that homicides triggered by this need to control are always committed by men and that the victims are almost always women, the only exception being homosexual couples.

Out of the five elements identified by the authors as being intrinsic to homicides based on a power relationship, there is the vulnerability of the victim, and this is where firearms come into play. The authors concluded that "the victim must be deprived of adequate defence mechanisms to protect herself from the attacks of her spouse. This raises the issue of power, which usually rests with the man, who is physically stronger than the woman. More often than not, that power is increased by getting a firearm".

The authors of the study see the acquisition of a firearm by the spouse as a danger signal which should not be overlooked. Another study, conducted by the Canadian Advisory Council on the Status of Women, showed that, between 1980 and 1989, 72 per cent of women killed by their spouses were shot with a rifle or a gun. These figures are much higher than the percentage of murders committed with this type of weapon.

The new legislation provides that these weapons will be subject to registration and thus to much stricter controls. We must now consider the following: would these women have died if our firearms legislation had been similar to the legislation before the House today?

Let us draw an analogy here. What spousal suicide and spousal homicide have in common are the location—the home—and the means used. The Quebec suicide prevention centre has concluded, from experience, that the suicide rate is higher in homes where guns are available.

A press release issued last October says that 92 per cent of suicide attempts where a gun was used are fatal, while suicide attempts using other means are fatal in only one–third of the cases. We have established a link between access to a weapon and spousal homicide. If we can save just one life by restricting access to firearms, we will have accomplished something.

I support Bill C–68 because I want to eliminate the means used most frequently to kill women. The measures the bill contains will restrict access to guns through compulsory registration and licence renewal for responsible individuals only. Persons previously convicted of violent crimes and stalking will no longer have access to guns and ammunition. Furthermore, I think the minimum four year prison sentence will act as a deterrent to using guns in domestic situations. This is a win–win situation, for women, first of all, and for society in general.

• (1555)

[*English*]

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, I am pleased to take the opportunity to comment on Bill C–68, the firearms act, on behalf of my constituents in Carleton—Charlotte.

Carleton—Charlotte, located in New Brunswick, is over 200 miles long. A good portion of it lies along the 49th parallel bordering on the state of Maine. It consists of all of Carleton county, all of Charlotte county, a sizeable portion of York county and a portion of Sunbury county. The economy of these regions is extremely diverse. It is based on agriculture and food processing, forestry and pulp and paper mills, the traditional fishery, aquaculture and fish packaging, manufacturing, tourism and the service industries.

As you can imagine, Mr. Speaker, there are not large urban centres but rather rural areas built around service to the citizens. The towns and the villages have developed over the centuries to provide these services to surrounding rural areas. Hunting and pleasure fishing have been a way of life for the citizens of Carleton—Charlotte since the area was settled in the mid to late 1700s.

Hunting still plays a very important economic role in the region for outfitters, service industries and guides. Almost every farmer and many rural residents own firearms, not only for hunting or sport but also for the protection of their livestock from predators.

Over the past few months I have held several meetings, some large and some small, regarding the firearms proposals which are now in Bill C–68. There has been complete support throughout Carleton—Charlotte for stiffer penalties for the use of firearms in the commission of a crime, including the minister's proposal for a four–year mandatory prison sentence for the use of a firearm in 10 specific violent crimes. Also the initiative for stiffer penalties for illegally importing and trafficking in firearms as well as stricter border controls on firearms is most commendable.

The section dealing with the prohibition of various types of assault weapons is also fully supported. However the 105 millimetre or 4.14 inch or under barrel length handgun ban has been questioned. It has been suggested that the full length of the handgun could have been emphasized instead of the barrel length only.

My constituents appreciate the fact that the minister has requested the Standing Committee on Justice and Legal Affairs to determine which handguns in the prohibited class could be exempted due to their use in recognized shooting competitions.

To say that they have major concerns with the universal registration system for legal hunting rifles and shotguns would be stating it mildly. Those who have commented to me on this subject rejected this section vehemently. As indicated, I have hosted meetings which were well attended and smaller meetings where I was able to speak candidly with individuals. In all cases the registration system is the portion of Bill C–68 which elicits the most serious concern and the strongest objection.

The general consensus indicates that the proposed universal registration system, which will include the owner's legal hunting rifles and shotguns, will be hard to administer and extremely difficult and expensive to enforce.

Many of my constituents believe that this system will make criminals out of innocent, law–abiding citizens who either do not register their legal rifles or shotguns or those who are unaware of the necessity to do so. These citizens are responsi-

ble, respectable people who enjoy hunting as a sport. They value their rifles and shotguns and take great care to secure them.

However these responsible people could, through no fault of their own, be charged with a criminal act; for example, a person who is unaware that a rifle or shotgun is stored in an attic and does not know that they are required to register it. For many years now handguns have required registration. This is not new for handgun owners.

• (1600)

Currently an FAC, or a firearms acquisition certificate, must be obtained prior to purchasing any new firearm. It has been suggested that the FAC system be upgraded to include full registration for new firearms, instead of trying to initiate a universal registration system for all firearms. As I understand it, a thorough check is required and the name of the applicant, the description and the serial number of the firearm is kept on record at the retail outlet but not forwarded on to a central registration centre. I believe that it would be very useful for the Standing Committee on Justice and Legal Affairs to review this possibility in an attempt to streamline the registration system.

Other alternatives were also suggested, including a program which would include issuing an owner's certificate only to ensure that the holder is a qualified and legitimate owner.

Another point was that although one person may own all of the legal hunting rifles and shotguns in a family, the individual's spouse, sons and daughters, who would use the firearms for hunting purposes, would have to purchase individual firearms licences at $60 every five years. This happens in many cases where the entire family enjoys hunting. I would suggest that the standing committee review the possibility of a family package for these cases.

Finally, hunting plays a very important role in the economy of my constituency and throughout New Brunswick. Many outfitters have benefited from and created employment for others through this tradition. We must ensure that the system adopted is fair and equitable for the responsible firearm owner. We must protect this important aspect of our economy. These assurances can only be provided by the Standing Committee on Justice and Legal Affairs, through its review of Bill C–68, by bringing forwarded the appropriate changes.

I would be pleased to assist the committee in any way possible to ensure that we have fair legislation which will be supported and will achieve the goals for which it was intended, to make our communities and our streets safe for my family, for your family and for all Canadians.

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I would like to begin today by expressing my appreciation for the presence of the Minister of Justice who is listening to the debate. I find it commendable that he would be here to listen to the speakers.

I rise in the House today in support of the Reform Party's motion proposing amendments to Bill C–68, an act respecting firearms and other weapons.

For several months now the people of Cariboo—Chilcotin have been campaigning non–stop against a bill they have seen as not only intrusive, but an invasion of their rights and their privileges as Canadian citizens.

I received over 800 letters and 70 petitions since the Minister of Justice tabled his firearms legislation late last year. They all had the same message: get tough on the criminal, not on the legal, law–abiding gun owner. These are impassioned letters and the message being given is a simple message. It is a message that has been sent to Reformers, Liberals and Bloc members alike. It is a message which has not been heeded in Bill C–68 and it is a message to which the Reform Party is trying to respond with this amendment.

Bill C–68, as it now stands, is, as my colleague from Prince George—Peace River noted, really two bills combined into one. On the one hand it gets tough on criminals that commit crimes using firearms and replica firearms by increasing minimum sentences to four years in prison. This is a measure for which the Reform Party has been calling. As the Reform blue book clearly states: "If elected a Reform government will introduce legislation by which the criminal misuse of firearms will be severely punished". Reform has called for minimum mandatory jail terms for firearms related crimes. I am encouraged that these concerns have been at least partially included in Bill C–68. This truly is getting tough on the criminal.

• (1605)

If these measures are brought into law independently, the government can count on the support of Reform Party MPs and our party membership across the country. On the other hand, Bill C–68 places what many Reformers and even some Liberals agree are excessive and unnecessary restrictions on the legal, law–abiding gun owner.

I refer particularly to the proposed firearms registry, along with the many accompanying provisions that could make criminals out of gun owners. It could make criminals out of them simply because they do nothing. This provision, as I noted earlier, has raised a great deal of concern within my riding and many others.

The current handgun registry has had little if any effect on crime. The proposed firearms registry will only follow in its footsteps, adding more rules but doing nothing to solve the problem. However, this is an issue to which I will speak at another time.

As for the amendment, the Reform Party has given the Minister of Justice and the House an historic opportunity. It gives all members of Parliament the choice to stand together and to show Canadians our common commitment to fighting crime. Despite our political differences we share a desire to get tough on criminals. Together we can quickly pass strong anti–crime legislation.

The amendment will also provide us all with the chance to focus at a later date on the one issue that divides us and threatens this entire package. That issue is the firearms registry. The use of a registry in firearm ownership is a radical departure from Canadian tradition and one which should be carefully examined.

In light of the experiences of countries such as England, Australia and New Zealand we are very much afraid this is a lost cause before it even gets started. Two years ago the Auditor General made this statement on the topic of Canada's gun control policy. He said: "Evaluation of the [gun control] program is essential to give the Canadian public and members of Parliament the assurance that its objectives are being met".

Clearly the gun registry has not undergone the sort of significant, non–partisan evaluation needed to contribute to the debate. Until this happens there will be ongoing divisions within the House over the registry, slowing up the positive aspects of Bill C–68 in the process. If this is the only issue that seriously divides us as parliamentarians, let us deal with it separately. Let us deal with it in the best interests of all Canadians.

In closing, as members of Parliament we have long hoped for the day when we can come together in a spirit of co–operation and common direction in the interests of our constituents. By adopting the Reform amendment the House can, even on this one issue, work in unison for the betterment of all Canadians. Let us not let what divides us hold back what unites us.

Mr. Réginald Bélair (Cochrane—Superior, Lib.): Mr. Speaker, when the gun control issue heated up last year after a string of gun–related crimes, culminating in the fatal shooting at the Just Desserts restaurant in Toronto, emotion ran so high that it was very difficult in the confusion to properly dissociate the weapon of the crime from the underlying and growing issue of violence in our society.

Responsibility for these crimes was quickly linked to the availability of firearms and to every firearms owner. Under the proposed gun and crime control bill a very high number of my constituents understand the fact that responsibility for crimes involving firearms is being unfairly attributed to the law–abiding gun owner on the same basis as the criminals.

• (1610)

[*Translation*]

The government is right to introduce legislation containing tougher sanctions against individuals convicted of murder and to step up efforts to deal with the smuggling of firearms. Such measures are necessary if we want to control crime and prevent an increase in the crime rate. We must ensure compliance with existing legislation on the wrongful use of firearms and their proliferation in our society. However, I have serious reservations about some of the points proposed in the bill.

[*English*]

In my riding, being a rural one, almost everyone owns a rifle or a shotgun, yet the incidence of violent crimes involving firearms is practically non–existent. They are responsible and law–abiding citizens including natives, trappers, sustenance and sports hunters, gun club members and gun collectors that have all proven their ability to own and use a firearm. Stricter gun control will not necessarily result in a decrease in the number of crimes involving firearms in this rural part of Canada. These law–abiding firearm owners should not be burdened or inconvenienced with additional gun control measures that will not reduce crime or improve public safety.

[*Translation*]

Self–respecting firearms owners will not willingly accept a further erosion of their right to privacy. They are afraid that when the data base is complete, it may provide, on request, information on their financial situation, marital status, mental health and mobility, all because of regulations that may profoundly intrude on their privacy, and at their own expense.

[*English*]

My constituents have been asking all along that the bill be divided into two parts: legislation that directly affects law–abiding gun owners and legislation that affects the criminal use of firearms. They have, as I have, also requested a free vote on the issue. We know that this will not be the case and therein lies my dilemma. I am wrenched between the loyalty to my party and representation of the views of my constituents. It will not be an easy call.

Eighty–five million dollars was forecast by the government to implement the national firearms registration system. The federal government has pegged the number of guns in circulation to be registered at 7.5 million. This number differs by a wide margin with the Ontario Federation of Anglers and Hunters calculations of 15 million as well as with those of the National Firearms Association. That is why the projection is unrealistic while I find the cost still prohibitive.

The National Rifle Association in the United States has already expressed concern that American hunters who will be required to register at the border will not come to Canada if they have to register their guns.

If we implement tough proposals do we not risk creating a new kind of relationship between the government and law–abiding gun owners, a climate of non–compliance or civil disobedience? We must keep in mind that the legislation is counting on all gun owners to voluntarily register themselves with police and to register all of their firearms by the year 2003.

Anti–gun control proponents could use any illegal avenue to stay out of what has already been dubbed the registration swamp. We must avoid red tape and restrictions on law–abiding gun owners if we cannot yield any evidence that stricter controls would make our communities safer.

[*Translation*]

The adoption of pro–active prohibition orders has also raised objections from many firearms owners. The penalty would apply to all members of the household if one member is affected by such an order. Should we impose prohibition orders on law–abiding firearms owners because a close relative committed a crime using a firearm? Many people think this is very unfair.

[*English*]

From another perspective on the issue, I hesitate to endorse new gun control legislation before the provisions of the Criminal Code can first be fully applied and enforced. We know that Bill C–17 is still in the early stages. Insufficient time has passed since its adoption to assess the effectiveness of its measures.

Law making, to be meaningful, must go beyond the legislative process and must be enforced. Every gun control or enforcement measure requires resources for its implementation. This will be an extra burden on the RCMP, the QPP and the OPP. If the threat of massive non–compliance is carried out, our federal court system will become so clogged that it will take years to process each individual case.

• (1615)

[*Translation*]

A number of inquiries conducted in various countries have shown there is no connection between the percentage of crimes involving firearms and the degree of regulation of firearms in that country. In countries with a very low rate of violent crimes or homicide, like Japan and Switzerland, the presence or absence of firearms is irrelevant. However, making young people socially responsible, giving them a good education and warning them against criminal behaviour is a major factor in producing low crime rates.

Countries that have tough firearms legislation have shown an increase in the rate of violent crimes. Countries whose citizens have a healthy cultural life and have very close family ties have the lowest rate of violent crimes committed with firearms, whether such arms are available or not. There is no evidence that more regulations have reduced the number of violent crimes.

[*English*]

Such findings are important. Homicide is a societal problem unrelated or at least marginally related to public access to firearms. The government should therefore concentrate its efforts toward identifying the real causes of crime in our society.

Bill C–68 is not only a registration bill but also a crime control bill. Imposing minimum mandatory sentences of four years for serious crimes committed with a firearm will go a lot further in deterring violent crime. Judges will be given strict instructions to no longer be lenient with the criminal element of our society and not to accept plea bargaining from defence attorneys. Measures such as these will make potential criminals think twice before they commit a reprehensible act.

The anti–tobacco and alcohol smuggling campaign of 1994 has proven to be very successful and the same methods of controls should be applied. The one–year minimum sentence will also send a very strong message that the illegal importation of firearms will be severely punished.

A huge majority of Canadians also agree that military and paramilitary weapons should be prohibited as their usefulness is totally unjustifiable in our society.

In essence, Bill C–68 responds extensively and quite adequately to Canadians' wishes to strengthen the Criminal Code for crimes involving firearms. I totally share this feeling with my urban colleagues. There are legitimate concerns since crimes committed with firearms are in effect concentrated in urban areas.

However I feel that this bill does not heed the concerns of rural Canada. A law–abiding citizen could end up with the same black mark on his or her record as a criminal found guilty of a real crime involving a firearm.

In addition, one must really question the constitutionality of the information that will be stored on the magnetic strip of the credit card style of permit. Canada is a country that prides itself in respecting the privacy of its citizens. Is the federal government not probing too deeply into people's lives? Furthermore, if this bill is adopted as is, it will be most interesting to see how the Supreme Court of Canada will react to this point as this law no doubt will be challenged.

I am reserving final judgment on this bill until I am given an opportunity to study the forthcoming amendments. I owe it to the 6,000 constituents who have taken the time to write, to sign petitions, or to verbally express their views on this controversial

issue. Hopefully the speeches heard in this House will serve to enlighten the members on their final vote.

[*Translation*]

Mrs. Madeleine Dalphond–Guiral (Laval–Centre, BQ): Mr. Speaker, today we are debating on second reading Bill C–68, an act respecting firearms and other weapons. The current Liberal government is making it a key piece of its legislation.

The famous red book to which our colleagues across the floor so often refer promised tough legislation in the area of gun control. The Bloc Quebecois, like most Quebecers, has always been in favour of tighter gun control.

• (1620)

A number of recent tragic events have made all of Quebec aware of the inescapable reality that firearms are dangerous and kill readily.

Murderous rampages are a fact in our society: 1984, Assemblée nationale, three killed; 1989, Ecole Polytechnique, thirteen women killed; 1992, Concordia University, three professors killed. These events are etched in our collective memory.

Bill C–68 is therefore a step in the right direction. It proposes measures to ensure better control over the purchase, possession and storage of firearms.

It provides for more severe punishment for the possession of a prohibited or restricted weapon. It also introduces new offences and denunciatory sentences for the illegal importing and the trafficking of arms. It will now be prohibited to import or sell .25 or .32 calibre handguns and handguns with a barrel length of 105 millimetres or less.

Finally, the bill establishes a national registration system for all firearms, to be administered by the Royal Canadian Mounted Police in co–operation with provincial and municipal forces.

This system will help police forces to combat the criminal use of guns: first, orders of prohibition for certain weapons will be enforced; second, the fight against smuggling will be stepped up by controlling the kind and the quantity of firearms entering the country; third, compliance with the rules for the safe storage of firearms will be ensured; fourth, it will be easier for police forces to track stolen weapons or those used to commit crimes.

Setting up the gun registry is a positive move. We nevertheless deplore that this system will not pay for itself, as was initially promised by the government and demanded by the official opposition. In fact, the Liberal government estimates that, over a period of seven years, it will cost $85 million to implement the system.

The Bloc Quebecois has no problem recognizing that this system will help fight against the illegal sale, possession or use of firearms. However, the official opposition believes that the period for registering firearms must be shortened. In spreading the deadline over an eight–year period, the government has chosen to compromise the attainment of the goals of police forces.

The Bloc Quebecois has no doubt that the Minister of Justice and his government caved in to the repeated attacks of several pro–gun lobby groups. Does the power of money compare to the power of AK–47s?

How else could we explain that over 13,000 military type automatic weapons, including over 4,000 AK–47 machine guns, will remain uncontrolled?

What kind of moral of logical justification could there be for owning such a firearm? Partridge hunting? We could lose a lot of feathers if that were the case. Personal protection then? In that case, we have powerful enemies. The desire to own collector's weapons? Is an AK–47 a work of art? Unless, of course, we want to turn it into a symbol of our civilization.

The government did not have the courage to do its homework. It evaded its responsibilities by asking the Standing Committee on Justice to find solutions to problems the government itself created.

For example, the government has asked this committee to find an acceptable solution in the case of firearms that have special significance for some people as family heirlooms, so that owners can bequeath their firearms to their children as part of their inheritance. That may be a legacy of love.

• (1625)

Given the situation, the Bloc Quebecois can only support wholeheartedly the recommendations made by coroner Anne–Marie David. The Liberal government should do the same.

Coroner David suggests that the Minister of Justice should amend the wording of the regulations on the safe storage, display and transportation of firearms to make it more consistent and easier to understand for the whole population. She feels that the current regulations are confusing and that not distinguishing between unrestricted and restricted weapons contributes to the confusion.

What Boileau said in the 17th century is more valid than ever: "A well–formed thought can be conveyed clearly, and the words to express it come easily".

Coroner David also notes that the current regulations allow weapons to be displayed. Is it unreasonable to believe that such a display can be an incentive to steal weapons or arouse the curiosity of some people who may be tempted to handle them?

The regulations contain another flaw: How can we approve regulations that authorize the transportation of unloaded unrestricted weapons on the back seat of a vehicle, as long as they are under the supervision of an adult?

According to Anne–Marie David, such leniency is an incentive to steal and contravenes in some cases the provisions of the Act Respecting the Conservation and Development of Wildlife.

The government must therefore launch an extensive information campaign to clearly explain the amendments to the regulations. It is aimed at the public at large, but should target certain groups in particular, such as hunters, collectors and sharpshooters.

According to coroner David, it is imperative that this publicity campaign be conducted under the aegis of a provincial committee and, sadly, that the federal government contribute the financial resources necessary to the success of such endeavour.

As we can see, this bill has no teeth, but its flaws have to be remedied, if the federal government really wants this legislation to have not just teeth, but good sharp ones.

The official opposition remains committed to producing legislation that will ensure tighter gun control. Support expressed by individuals, organizations and community social action groups fighting against violence, is extensive.

A large coalition originating from Quebec has taken a stand for closer monitoring of the sale, possession and use of firearms. Both public and parapublic organizations have come forward; the vast majority of police forces and police associations are in favour of increased gun control.

As the member for Laval Centre, I am particularly proud of the level of awareness displayed by the residents of my riding and my city, as evidenced by the resolution passed by the Laval town council on November 9, 1994, in support—unequivocal support—of stricter gun control measures.

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I am delighted to stand and make my contribution to the debate on the question of the adoption of the new legislation on gun control in this country. I say to anyone in this House who is in question as to where I stand on this issue, I stand most strongly and most passionately in favour of the adoption of this bill. I do so for a whole variety of reasons. Many of them are emotional because it is an emotional debate.

I think that all of us, wherever we stand on the gun control debate, were horrified just before Christmas when a young girl in the United States went for a sleepover with her friends because her parents were going to be away overnight. At some point in the evening she found out that her parents were going to be able to come home. She and her friend went back to the house. When she heard her parents coming in she hid in the closet. When her father came in the front door she jumped out of the closet and yelled "boo" and her father shot her to death. What a terrible tragedy. It would not have taken place if there had not been a gun in that house.

• (1630)

I think many of us remember the case in Michigan several years ago of a 9–year old paperboy who went to collect paper money, something he did every week. Most of us pay our paperboys or girls every week. The owner of the house, not realizing who it was, thinking it was an intruder, shot him to death.

We remember the Japanese exchange student in the United States who was out with some friends on Halloween, experiencing a long and treasured tradition in the culture of the United States and Canada, going door to door, trick or treating. He too was shot and killed by a homeowner who thought he was an intruder.

All of these examples take place tragically in the United States. I believe most passionately they take place there because there is a gun culture in that country that does not exist in this one. I intend to fight most passionately to see that kind of culture never takes hold in this country. That is not the culture that belongs to bona fide hunters, farmers or sport shooters.

I am going to quote someone I saw on CTV not too long ago. The man's name is Dan Matheson. Any who watch Canada AM will have seen him. He does sports, the weather and shares the anchor desk. One day not too long ago he said he had taken his little boy fishing. I cannot remember if I have the exact cost, but it somewhere between $30 and $50 to get a fishing licence to go fishing with his son. He said: "I just do not get it. I pay this to go fishing with my son. What is the complaint to register a gun? That is a whole lot more dangerous than a fishing rod".

The whole question of gun mentality in this country is misunderstood. There are members in this House who have misused the statement that there is a right to bear arms. There is not now any right in any Canadian constitution to bear arms. Not in this country. Not now and please, God, not ever. We have already seen the results of violence.

The hon. member opposite spoke most eloquently of some of the examples in Montreal; the example that haunts all Canadians over the age of reason on that December night, the École Polytechnique.

Violent actions are not only occurring in the streets at the hands of criminals, they are occurring in the homes of our neighbours. Death and injury by guns in the home are now a greater problem than the criminal misuse of firearms on the street. This relates directly to the questions of violence against women.

The greatest threat of homicide is not at the hands of a stranger. The majority of gun homicides, 86 per cent, are caused by family members, friends or acquaintances. One woman in Canada is killed with by gun every six days, most often in the home by someone she knows. We have evidence that a significant number of offenders act impulsively, suggesting that the simple availability of a gun can determine whether a homicide will occur.

• (1635)

I have tremendous respect and affection for the Minister of Justice but he does not go as far as I would. It is probably because I am an urban member. It is probably because I am a woman. It is probably because I do not have a cool head when it comes to the question of guns and gun control.

Last session I saw a bill brought forward that had many good points. I sat on the legislative committee that dealt with that bill. I saw it watered down until it effectively meant very little. That is why I am so proud to stand on this side of the House with this minister, with this government, to support this bill. It is tough and it is also fair.

I have been to gun clubs where I have walked in and said: "Gentlemen, I am your worst nightmare". No one in the House is more strongly opposed to guns than I am. There are many who are equally strongly opposed, but none more strongly opposed.

I have left those gun clubs with those people perhaps not agreeing with me but understanding my point of view and understanding the point of view that is the most important, that 70 per cent of the people of this country agree with the Minister of Justice. They agree with the Prime Minister. They agree with members on this side of the House because they apply a little intelligence to the equation and they understand the situation.

If we want to talk about legitimate polls, as the member from Calgary appears to be, he could speak to his own minister of justice in Alberta who commissioned a poll. Those of us who know a fair bit about polling know that we can commission polls so that questions will turn up the response we want. That minister was not a particular proponent of this government's law and yet even that poll showed that 62 per cent of the people in Alberta favoured gun control.

Mr. Thompson: Out of 300.

Ms. Clancy: To hon. members opposite, if they want to get their poll done right maybe they should re–educate their attorney general. In Alberta 62 per cent said yes.

Mr. Silye: He is not here to defend himself.

Ms. Clancy: I can only pick on people who are not here. It is too easy to pick on those opposite. If hon. member's opposite would like to calm down and listen, I would be happy to conclude.

This is a very serious issue. This is a very important issue to the women of this country and to the children of this country. It is very interesting that we talk about guns and their different categories. We talk about automatic weapons, semi–automatic weapons and some of the particularly horrible instruments of mayhem I saw when I travelled with the Toronto police force some months ago.

The hon. member opposite says they defended this country in the second world war. Our guns were turned on an enemy in the second world war that was trying to subjugate an entire culture and an entire belief in democracy. I do not think we should be turning those same weapons on our fellow citizens, which we have been.

Let me get back to my original point, guns, automatic weapons, semi–automatic weapons, those awful instruments of mayhem. Many are going to be banned. Let no one misunderstand that for women in this country an ordinary shotgun in a gun case or hanging over the mantelpiece is an object to be feared. It is an object to worry about for oneself or for one's children, given the circumstances in far too many families.

• (1640)

Again, I am very proud to stand with this government and this minister on the whole issue of gun control. I stand here knowing this is a promise made to the people of Canada, important to the people of Canada. First and foremost, this is a promise that will be kept to the people of Canada.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, the issue of gun control has become one of the more emotionally charged debates to be addressed in this House.

As the member for Calgary Centre, I cannot believe how quickly such an important subject has digressed into the realm of us against them, between interest groups, spin doctors, media pundits, urban and rural ridings, men and women. We have lost sight of who we are trying to protect.

Not one person in the House enjoys picking up a newspaper and reading about a man, woman or child being shot by another person. No one enjoys walking the streets at night with a feeling of fear in their stomach. Emotionally we are all on the same wave length and so it is time to start thinking and acting rationally, not just emotionally and politically, as the justice minister said today in question period.

The purpose of the motion we are debating today is to split Bill C–68 in two. One bill would cover the Criminal Code amendments dealing with the use of firearms during the commission of a crime while the second bill would deal with the issue of a national firearms registration system. The rationale is

simple. The Minister of Justice has lumped these two separate issues together under the banner of crime control.

I do not believe criminals will register their guns and I believe the current firearms acquisition certificate system is adequate in the control of legitimate firearms owners. Therefore we should separate this bill. Even some members of the Liberal caucus support our motion.

At a town hall meeting on March 5 the hon. member for Lanark—Carleton stated he would like to see Bill C–68 split wherein the anti–crime and anti–smuggling components of the legislation would be dealt with separately from the issue of gun registration. They are two separate issues. I fully expect the Liberal member will vote in favour of our amendment.

I am prepared to support measures that genuinely reduce crime, but the burden of proof is on the Minister of Justice to prove gun registration will work. Therefore, before debate on this bill concludes I would simply ask some Liberal members to answer a few questions.

How will a firearms registration system truly protect society in light of the fact that other systems around the world have shown that it does not really make a difference? How will the government gauge the success of the program? How will the high costs be reconciled with making criminals out of innocent people?

I have some serious, common sense questions regarding who benefits from this program. The Minister of Justice has said registration will reduce crime and better equip the police to deal with crime in Canadian society by providing them with more information they often need to do their jobs.

Criminals will not register their weapons. I find it rather unlikely that policemen on the streets will approach a suspect's house any differently if the computer says the suspect does not own a gun. Caution will still be the rule.

I would like to take a moment to read part of a letter from two Calgary policemen:

> On Saturday, November 26, 1994 my partner and I were dispatched to a noisy stereo complaint in northwest Calgary. After knocking on the door for an extended period of time, my partner and I were confronted by a man at the door with a loaded, sawed–off shotgun which he pointed at my partner's chest. The man was subdued, arrested and charged with four weapons related offences.
>
> During our investigation we determined that the man was prohibited from owning or possessing any firearms until 1998 because of a weapons offence in 1992. The weapon he had in his possession was also a prohibited weapon.
>
> Of all the four offences the man was charged with, only one, assault with a weapon, is an offence where police can take the criminal to jail. Pointing a weapon, possession of a prohibited weapon and pointing a prohibited weapon are minor offences in the Criminal Code, the criminal version of a speeding ticket.
>
> How will registration possibly change what happened to us?

The man was legally prohibited from having a gun but he had one. Does a police officer have to get shot to make us realize that we have to get tough on these sorts of offenders?

According to the Department of Justice, in over half the cases in which possession charges are laid by police they are dropped once they get to court. That is the reality outside of planet Ottawa.

Addressing the inherent weaknesses of the Criminal Code and the charter of rights and freedoms should be our number one priority.

• (1645)

Handguns have been registered in Canada for 60 years. In spite of this, using the minister's own statistics, handgun crimes have been on the increase. There is no evidence to indicate that universal registration of shotguns and rifles will be any more effective.

Are we really worried about hunters, target shooters and collectors? Maybe the Liberals are but I cannot accept that these people are responsible for the violence on our streets. It is the criminals using illegally obtained weapons who are responsible for gun related crimes. They should be the target.

The Liberals like to use the logic that if you have to register your car you should register your gun. If you register your gun you will become more responsible, less inclined to have an accident and less likely to have your weapon fall into the hands of criminals.

When we look at vehicle registration, what effect does it have on preventing theft, promoting responsible use and reducing accidents? Does vehicle registration prevent drunk driving?

In Calgary a teenager was recently sentenced to six years for running down and killing a police officer with a registered stolen car. Is the owner of the stolen car responsible for the death of Constable Sonnenberg? Should car owners have to take more responsibility ensuring that their vehicles are stored safely? Should we apply the same legal impediments to car ownership that the minister wants to apply to gun ownership? Would this have saved Constable Sonnenberg? Of course not.

No matter what steps we take to prevent our property from being stolen, criminals find a way to get at it. No matter how much registration we have the simple truth is that people will continue to break the law. Let us start focusing our legislation on discouraging those who might and punishing those do.

Let us send a collective message to potential criminals that this country does not tolerate violence and violent offenders. From now on the punishment will match the crime.

Becoming a legal firearms owner in Canada today is by no means a cakewalk. Applicants must obtain a firearms acquisition certificate which is an extremely probing form containing questions about personal matters such as drug and alcohol abuse, job loss and divorce, to name a few. Applicants must then furnish the names of two people from the prescribed list of occupations and relationships who can verify the information in

the application. This is followed by a 28–day mandatory waiting period during which a firearms officer can conduct an investigation on applicants. Upon completion the applicants must then pass a course or test on the safe handling and use of firearms and the laws relating to them. The applicant is then photographed and his or her certificate is processed centrally by the chief provincial or territorial firearms officer. What more can you do?

In the time it takes one legal gun owner to go through this process, thousands of stolen or smuggled guns will change hands in the streets. That is the problem. If this government would take more time to identify the right problem, it would find 60 per cent of the solution.

The national debt is the problem. The deficit is a contributing factor. That is why we have to get to a zero deficit, not just 3 per cent of GDP. The lack of deterrence for the criminal misuse of firearms is the problem. Registration is not even a contributing factor.

The Liberals are identifying the wrong problem. The Minister of Justice stated in the House that last year an estimated 375,000 weapons were smuggled into Canada. In the same breath he went on to say last year approximately 3,800 firearms were lost or stolen by those who lawfully own them in Canada. In the years since 1974 a cumulative total of 65,000 firearms have been stolen or lost, not recovered.

There were 3,800 stolen or lost weapons as opposed to 375,000 smuggled guns, yet the main emphasis of our new gun control laws will be registration for legal gun owners. I believe that instead of throwing millions of dollars toward registration we should look at all possible ways to beef up our security at borders.

Let us do everything in our power to stop the 375,000 guns from finding their way into hands of criminals. Let us send a clear message to the people who bring them across the border that if they get caught, they will not just get a slap on the wrist or a fine, but a guarantee of time behind bars.

Currently we have mandatory sentences for firearms offences that are not enforced because they are plea bargained away. Therefore a mandatory sentence is utterly meaningless and useless. I can see the need for a crown prosecutor to have some latitude in handling a case. The flexibility that plea bargaining offers is intended to lead to a conviction. I realize it is necessary, but not the outright elimination of a mandatory sentence. It should be a reduced sentence.

• (1650)

A national firearms registry flies directly in the face of today's reality which is that the vast majority of people want less government regulation and intrusion in their lives, not more. A 10–year jail term for failure to register and the right to register a firearm and the right to search and seizure without a warrant are incomprehensible.

Are we headed for a police state if this bill passes in its present form? Is the minister not willing to separate the bill and debate the two separate issues? He knows full well that they are two separate issues. He knows that this party would support the amendments to the Criminal Code to make it tougher on crime. He knows he would get our support.

Why bother with this national registration issue with the same bill? Separate the two. Have the courage and conviction to have a true and honest debate. People are sick and tired of hearing about the rights of criminals. They want them caught. They want them off the streets. They want them punished and, above all, they want laws that will make people think twice about becoming criminals in the first place.

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, 128 years ago our founding fathers came together, gave this House power to enact laws, to ensure peace, order and good government in Canada.

Even President Clinton on his visit to this country on February 23 said Canada has shown to the world how to balance freedom with compassion and tradition with innovation. Canada set the example for the rest of the world on many occasions. This certainly is one of those occasions when we can say to the world that we set the standards and we make the examples for the rest to follow.

On October 25, 1993 the people of Canada voted for the Liberal Party. In the red book we made a promise to make our streets safe and offload the guns. Bill C–68 goes in that direction.

Public support for this bill has been enormous, 80 per cent to 85 per cent. Even in Alberta we are told 62 per cent of the population supports the bill. In my riding of Don Valley North, which I am proud to represent, 90 per cent of the population supports this bill.

In my riding I received only seven or eight representations opposing the bill. Out of those, one of them was a U.S. citizen complaining about the bill. When I asked him why he does not complain to U.S. senators, he said he lives here and has to complain to me.

Many of us receive many letters from various organizations and individuals regarding Bill C–68. I received maybe 200 letters from various parts of the country. One said in part: "It has come to my attention that someone has sent a number of misleading letters to various members of Parliament and some Reformers, including yourself".

These letters are on the subject of government policy proposals and gun controls. One says in part: "Many of these letters bear my name and address and are signed but were not written, signed or sent by me. My signature is false. I believe you have

received one of these letters as I have received correspondence from you on this topic. I hereby request that you remove me from your mailing list".

I am not saying that all the letters are forged but I am sure that 15 members received letters that are the same. They have not sent a letter to anybody but somehow someone took the liberty to send letters to members of Parliament so they can say they received 200, 300, 1,000 letters, and that is how they can make public opinion saying people oppose it. The fact is that people support this bill.

I want to raise the issue of rural and urban communities. In the last byelection in a riding in Quebec 62 per cent of the riding was rural and 38 per cent was urban. In that byelection nobody ever raised the issue of gun control. It is obvious that rural Canadians support the bill. They are happy with it and they want to go forward with it so we can build a new Canada, safe and sound for everybody.

• (1655)

On September 17, I invited members of Parliament in metro Toronto to attend meetings with the constable in charge of the gun depot in metro Toronto. He showed us 13,000 handguns, machine guns, AK–47s or M–16s, whatever the case may be. Some of them were legally owned, stolen from their owners so they could be used in crimes. They showed me replicas so similar it was hard to say which one was which.

Don Valley North is one of the few ridings in the country that has no gun shop. We would like to keep it that way.

Most people complain about the registration section of this bill. When this bill was presented last year I phoned the city of North York and asked how many dogs are registered there. The answer is 18,710. We asked the minister and members of this Parliament how many guns we have in the country. They tell us anywhere from 4 million to 15 million.

Four million to 15 million guns can do more harm to the country and its citizens than 18,000 dogs in North York. If we can register the dogs, the cats, the cars, why not the guns? I cannot understand. No one has been able to explain it to me. I am a reasonable person, more than the hon. member on the other side who shouts meaningless sentences. He should answer to Canadians why he opposes legislation when 80 per cent to 85 per cent of Canadians support it and want to go ahead with this bill.

Many guns used in a crime these days are stolen from rightful owners; as I said before, 3,800 guns. If legislation goes through the way it is, we will know exactly where the guns come from so we can follow up, trace them and hold the owner of a gun responsible.

It is my pleasure to support this bill to the best of my ability. I can assure the House, even my colleagues in the Reform Party, that the Don Valley North population supports this bill 100 per cent. We will make sure that by passing this bill Canada will be a safe place.

In the last two years Canada was rated the best country by the United Nations and we will make sure it continues to be one of the best and safest countries in the world.

[*Translation*]

The Deputy Speaker: It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Bourassa—The budget; the hon. member for The Battlefords—Meadow Lake—Low level flights; the hon. member for Kamloops—Royal Bank of Canada.

[*English*]

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker, this debate has taken on quite a bit of emotion. I would like to approach it from the standpoint of the gun control advocates who I believe are intelligent, compassionate people, who truly believe that stricter control of firearms will make our streets safer. I believe also that the justice minister truly has those thoughts in mind. I do not think he has any nefarious reasons to be doing what he is doing.

We desire to split the bill into two components. One component Reformers would very quickly support. The other I do not think we would.

On the issue of registration I have looked beyond the borders of Canada to find out what registration did in countries where it was tried. This is the only mechanism I have to compare Canada with other countries. By the justice minister's own recollection there is no statistical basis for doing what we are doing. I looked beyond our shores. I am really addressing this to those who honestly believe registration will work.

New Zealand registered all firearms. Over quite a complex process it registered its firearms.

• (1700)

I went through the history of it. Back in World War I it had reason to be concerned about firearms coming into the country and it registered them. After registering firearms for many years it looked at registration and asked whether it achieved the purpose for which it was undertaken. I have heard the justice minister say that the reason its registration system failed was that it had a poor computer system.

That may be the reason but New Zealand said the registration was of limited value because compliance was poor. Moving from spot to spot was not reported so that even if a person had

registered the registration went astray. It was also found that it was only useful if the serial number were registered. Many weapons were not registered by serial number but by model number. Even if the law–abiding citizen took the time to do that it was a failure. It was found that many people never registered, did not comply. As well it was found that the cost was unjustified. It was much more expensive than expected. That is a very important issue in these days of financial restraint.

New Zealand abandoned its registration system and went to a system of licensing much like a pilot's licence. An individual who wanted a weapon had to be registered. It depended on the level of use whether or not the individual went for the high or lower level. There is a lesson to be learned by Canada from the experiences in New Zealand.

Second is the overall registration of firearms. I made a comment on national radio that Australia had tried registration of firearms. I got a blast from the consul's office saying that I said the wrong thing. It was wrong. It was not tried overall in Australia. It was only tried in various Australian states.

The state that closely resembles Canada is the state of Victoria. In 1984 Victoria decided that all firearms had to be registered. There were some massacres, some murders in Australia. Public opinion was inflamed just like it is in Canada today. Registration was to be the answer, according to Australian politicians.

In 1984 registration was to be phased in over a three–year period. The Australian police resolved that the spread of firearms should be contained. They actually had a very specific way to contain firearms. The initial statement made by the Australian police was that no home should have more than three firearms. Computerized registration would be the mechanism to justify that. If a home had just cause it could contain more than three firearms.

The resulting legislation did not include the three–firearm position. It was only registration of firearms. They moved off the three–firearm position into registration. The police still said they thought it would help.

Registration took place. Interestingly enough they found that it was very much more expensive than they had thought. Now we are getting into the more modern computer age which is very expensive. They found in terms of compliance that 58.9 per cent of the population complied but 41.1 per cent did not comply. Worse and most condemnatory of the process was that there was no effect whatever on criminal misuse of firearms. They had good statistics to follow it through. For the same three reasons New Zealand abandoned its firearm registration. Australia did the same.

I obtained the conclusions of the firearm registration officer through access to information. Generally they are not publicly available. The officer charged with the responsibility was asked whether he had done a good job. In summary he said: "I do not believe registration is the answer to the problem. I would therefore recommend that firearms registration be forthwith abolished and together with the firearms consultation committee a far–reaching, effective and proper system of education be introduced as a prerequisite to obtaining a shooter's licence". He went on to describe a system very much like that of New Zealand.

• (1705)

That country is not strange and foreign to Canada. It is a country that is parallel to Canada. It tried it and it flopped. What happened to the firearms officer when he presented the report? He was fired. The report was buried and the political masters carried on with registration and registration persists today.

I have a political message for members across the way. In New South Wales, Australia, a Labour government tried to put through very similar, draconian firearms legislation as we have in Canada today. This is the part that should change their minds. National opinion polls are 70 per cent for the government. They fought an election on the basis of the issue and the Labour government was ousted from New South Wales. Prime Minister Unsworth announced that he would not be standing for leadership of the parliamentary Labour party. "Guns cost me", he said. "Clearly as leader I must accept the major proportion of the blame for this defeat, particularly in terms of my decision on the gun issue".

What happens if a Canadian's lifestyle is taken away and turned into political activism? Members of the Liberal Party have no idea what it is doing when it does this to the lifestyle of Canadians. They may get individuals in urban areas to give them all kinds of support. However, when they find out that registration will be expensive, will affect only law–abiding individuals and will have no impact on criminal misuse, they will do what they did in New South Wales.

It is not necessary. It is absolutely incredibly stupid. I would simply say that we should split the bill. Let us have crime control but let us not have registration, or it is gonzo to the Liberals.

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Mr. Speaker, I am pleased to rise on behalf of my constituents to give my full support to Bill C–68. It is a bill to restrict the availability of guns and thereby reduce the number of crimes with guns.

It is an undeniable fact that where guns and ammunition are less available there are less crimes with guns. Where guns and ammunition are more difficult to obtain, there are less crimes with guns. It is not no crimes with guns but less crime with guns.

Nobody on this side has made the suggestion that strict gun control will eliminate all crime with guns. It is true that professional criminals and gangsters will always get their guns, but the overwhelming majority of crime with guns is not committed by professional gangsters. It is committed by ordinary people who under stress or with some other problem strike out at another person. If a gun is available they use it.

Mark Lepine, before he killed 13 young women at École polytechnique had no criminal record. He was not a criminal. However, because the gun laws were loose he was able to get a semi–automatic military assault rifle and kill 13 women. He was not a criminal.

Valery Fabrikant, who killed four professors at Concordia University in Montreal, had no criminal record before he committed that crime. However, because he was able through looseness in the gun laws to get a gun he killed four other people.

In the context of family violence, quarrels, tensions, abuse of liquor and drugs, some mentally unbalanced people who lose control will strike out and, if guns are easily available, they will use them. In the legislation we are trying to make sure they are not easily available and to make it much more strict in being sold to the public.

• (1710)

An hon. member: Oh, oh.

Mr. Allmand: The level of debate from the Reform Party is the kind of thing we are listening to now. I listened to the hon. member make his speech. I would appreciate the opportunity of having the same chance.

When we make it more difficult to obtain guns crimes by these people are reduced because of strict gun laws. They do not have strict gun laws in most states in the U.S. They have a much higher rate of crime with guns. Some cases are completely ridiculous to read about.

I remember reading recently about a case in a certain American city where two automobiles collided at an intersection. The drivers involved in the collision lost their cool and became angry. Both of them pulled guns from their glove compartments, got out of their cars and shot each other.

In Canada we would be just as angry and lose our cool just as quickly, but because we would not have guns in our glove compartments we would probably get out and punch each other out or hit each other in the nose. The same excessive damage would not be done because guns would not be as easily available to people in that state of mind.

Contrary to what many have said in opposition to the bill, it will not stop legitimate hunting by responsible hunters. Nor will it stop competitive shooting by responsible sportsmen. These allegations are scare tactics. Whenever we have a bill to strengthen our gun laws we hear the same old rhetoric by the gun lobby and those who blindly follow the gun lobby.

I have been through four gun bills in the House during my period in Parliament. Each time we have set about to make the gun laws more restrictive to protect the public by preventing crimes with guns, we have heard the same old myths put forward by the gun lobby.

It can be demonstrated that despite the rhetoric after each gun law has passed there has been an increase in hunting licences available to responsible hunters. This gun law will not stop responsible sportsmen, hunters and shooters who belong to gun clubs and are competitive shooters from practising their sports.

I ask my colleagues in the House not to be freaked out by members of the gun lobby. They are not as important as they believes they are. They are not as numerous as they believe they are. They do not have the power they think they have.

They have threatened many members in the House before against voting for the strengthening of gun laws. They have threatened them during election time and have failed. I have been threatened, as I say, four times by members of that lobby. They have had no effect on me whatsoever. They have also threatened colleagues of mine from rural areas and have no effect on them whatsoever. They should be disregarded. They talk nonsense for the most part.

Mr. Hill (Prince George—Peace River): Tell that to the Tories.

Mr. Allmand: The Tories were defeated for many other reasons and not for their gun laws, let's face it. If you think they were defeated for their gun laws you are really dreaming in Technicolor.

The Deputy Speaker: I ask the member to address his remarks through the Chair.

Mr. Allmand: Thank you, Mr. Speaker. Among the myths of the gun lobby is that when we attempt to ban or restrict guns only criminals will have guns. There is no class of persons born criminal and there is no class of persons born non–criminal. People do not have an identifying mark as criminal or non–criminal.

As I just said a few minutes ago, ordinary individuals in situations of stress, alcohol, drugs or whatever often strike out at other people and if guns are available they use them. It is not because they are professional criminals. As I say, the overwhelming number of murders in Canada committed with guns are not committed by professional criminals and gangsters but by ordinary people like Fabrikant and Lepine who did not commit any crime before in their past lives.

Another myth we hear over and over is that guns do not kill but people kill. Of course a gun is the most lethal type of means by which to kill another person. Yes, it is possible to kill someone with a baseball bat, but frankly I do not know anybody in this House who would rather have somebody chasing them

with a lethal weapon instead of a baseball bat. Of course it is possible to kill people with poison, a knife or a baseball bat, but a gun is manufactured to kill, to kill animals or to kill people. Guns should be controlled and this bill will give better control.

• (1715)

With respect to registration, previous speakers, especially those from the Reform Party, asked how it will protect society and why we are doing it. We have had registration in this country for many years. Restricted weapons, especially handguns, have been registered for a long period of time and it has been successful. The rate of crime with handguns in Canada has, for the most part, been much lower than the rate of crime with long guns because handguns have been much more strictly controlled.

With the registration of all weapons, including handguns and long guns, it will be easier to conduct criminal investigations. The police will know who have guns and who do not. It will be easier to trace weapons used in crime and the criminals who had access to those guns. It will be easier to take preventive measures against violence with guns. For example, in a family that has a history of family violence, the police will know whether the husband or another family member has a gun registered in their name and that gun could be taken away.

It is true as some who oppose this bill will say that not everyone will register their gun. However, a large number will. Such a measure will help the police to remove guns from dangerous situations, especially situations where there has been a record of family violence.

With respect to the ban on most handguns, that is, handguns that are not used for competitive shooting, handguns such as the Saturday night specials, the very small and very easy to conceal handguns, these have no purpose except for use in crime. If someone is actually taking part in competitive shooting, then the gun is registered; the person belongs to a gun club and that is permissible. The other types of handguns which are very small and are not used in competitive shooting will be banned under the legislation and they should be banned.

The bill provides for an increase in the penalties for the misuse of guns, for the smuggling of guns and for the illegal sale of guns and ammunition. I support that but I do not believe that increased penalties are the answer. Increased penalties deal with the situation after it has taken place. The crime has been committed. Someone is dead. They have found the criminal and they will give them a stiffer penalty.

What we are trying to do with this legislation is to prevent the crime from taking place in the first place. We are trying to make guns more difficult to obtain and to screen the applicants who want to own guns. Doing that will prevent the crimes from taking place. It is a preventive measure.

To rely simply on long, tough, hard penalties as is done in most of the United States does not work. They have absolutely no effect whatsoever. The crime rates with guns are much higher there than they are in Canada, especially in Louisiana, Texas, Florida, Alabama and Mississippi.

In conclusion, I assure the House that as chair of the standing committee on justice, despite my strong views in favour of this bill, I intend to be absolutely fair with all sides who take part in the discussion before the committee. I want to assure those who oppose the bill that they will be fairly treated. Those who wish to amend the bill will be fairly treated. Those who support the bill will be fairly treated.

When I act as chair of the committee the most important aspect is the tradition of Parliament of the rights of minorities to have their say. I want to assure all members of this House and the general public that as chair of the justice committee everyone will be given their full right to be heard.

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, I rise today to take part in the debate on Bill C–68. I hope the Minister of Justice is listening to the constructive suggestions which have been advanced in this debate. My colleagues on this side of the House have put forward ideas and suggestions which would make parts of this bill much better. However, we strongly oppose one part of the bill.

• (1720)

Today I want to address mainly the part on a national firearms registration system. I hope when we get into final debate on it that those on the government side who oppose the clauses that establish the regime of gun registration will stand with us to defeat those sections. If this were to happen it would be a great day for freedom in this Parliament and a great day for individual freedom in all parts of Canada.

I have spent most of my adult life in the teaching profession. One thing about teaching is that in order to explain something to others, it is essential to understand it yourself. For me, that means getting back to basics.

Therefore when I analyse legislation I ask myself: What is the problem the legislation is attempting to address or to cure? Once I am able to discern what the problem is, then I can go through the legislation clause by clause to see if the problem is being addressed correctly. This methodology seems to work most of the time. When it does not work, it usually is because I see the problem as advanced by the government in different terms than the government does and then can address it quite differently.

In splitting the bill, crime control I agree is what we need. When I look at Bill C–68 I am puzzled as to what exactly it is that the minister is trying to get at. What harm is he trying to cure? If we take the legislation as a whole there are stiffer penalties for those who commit crimes, anti–gun smuggling deterrents and then a gun registration system for rifles and shotguns. This for me is the meat of the bill.

If the harm or the problem is too many offences being committed with guns, then the first two parts of the legislation, stiffer penalties and anti–smuggling, make sense. I can see some room to make them better but I basically agree. But what about the registration system which this legislation imposes? What is that aimed at? Here again I must support splitting the bill.

Every time I review the remarks of the justice minister when he is trying to justify the system I wonder how he can relate one to the other. He tells us there are pretty scary statistics out there dealing with the use of guns. Every six days a woman is murdered by someone using a gun. Over 1,000 suicides per year are the result of gun usage.

After reciting these statistics we are always told these are the reasons we need gun control. but we are never told two things. First, how will the registration of rifles and shotguns reduce these numbers? Second, what percentage of these acts take place with guns that through this legislation would be required to be registered? Again, I must stress crime control and a national gun registration do not relate.

The justice minister knows very well that the registration system will not reduce the number of murders or suicides by firearms one bit. What he should know is that Canada is a large and diverse country, a country which in many ways starts at the borders of metropolitan Toronto. This country is not metropolitan Toronto.

The justice minister should read the legislation that is presently in place in relation to gun control. He will find that present laws in Canada are among the toughest in the world with respect to firearms. Here is what you have to do if you want to own a firearm in Canada:

Take an optional federal course and mandatory test to qualify for a firearms acquisition certificate. Submit to a thorough police examination of your social history, employment and psychological history when you apply for your FAC. Go through an interview process with police and provide solid references. Wait a mandatory 28 days before your FAC is approved and issued with a photograph.

If you want to hunt you must take a separate mandatory hunting course which also covers firearms handling and safety. Submit to another provincial written and practical test on firearms handling. Abide by strict federal laws that govern dozens of firearms handling and safety situations. They include: storing firearms and ammunition separately and under lock and key; rigid transportation standards; and tough guidelines for using firearms.

These rules are important but their effect has not yet ever been analysed. This was pointed out in the Auditor General's report of 1993. I believe the minister should wait to see how effective the controls put in place as recently as 1991 have been before he embarks on increased controls.

This registration system has many drawbacks and it is important that they be set out and discussed. It is expensive. The lowest estimate for its development and implementation is in the range of $80 million to $90 million. Oh yes, we are told that this money will be recovered from the gun owners who are required to register and we are also told the cost of registration will be quite reasonable to encourage those with guns to register. Which is it, Mr. Minister?

We are told one of the great pluses for this legislation is that it helps police. When they are answering a call at a dwelling place they will know whether there are firearms on site. We are told this will aid police and make it safer. Are we to conclude from this that the police will now enter homes where guns have been registered with their own guns drawn anticipating a gun battle? This will make our lives safer or the homes of our law–abiding citizens safer? I do not think so.

• (1725)

However, all these criticisms of the registration system pale into insignificance when one considers the potential for computer crime as it relates to the registry. This area is so serious, of proportions of such magnitude that we must look at it.

Weekly we are informed of some computer whiz–kid who has broken the code to allow access to highly classified material, government controlled or otherwise. Just a few weeks ago the police in Toronto uncovered a fake credit card ring. One reason given for the success of the criminal venture until it was closed down was the access to corporate computers which the alleged criminals had acquired.

We were told in the summer that authorities in the western world could not stop or prevent computers from being accessed by the criminal element. We are told that the police around the world sometimes do not even have the information as fast as the criminals do. We are very foolish if we think they will not access this information. Now we are going to establish a computer based program which will show the location of every firearm registered in Canada. What a gold mine for criminals and organized crime.

Break the code for this registration system and this will be the home shopping channel for criminals. Imagine establishing a system whereby the location of virtually every gun in Canada is

shown. Is there anything else we can do to make it easier for those who wish to steal guns?

What of the innocent people who register their guns? Are they sitting ducks—no pun intended—for criminals who break the code and enter the gun registration system? Why would we create such a monster if it is not going to do any good, if it is not going to reduce the number of crimes of violence, murders, attempted murders or suicides?

Create the shop at home channel for guns, rifles and shotguns. I do not think so. However, I am certain there is a part of our population that would not object if Rogers Cablevision carried this channel.

There are good parts in this bill which should be studied in committee and perhaps even made stronger. This is a very good reason to split Bill C–68.

First, I agree there should be a separate criminal offence for committing or attempting to commit a crime with a gun. The problem with it is as proposed is that it may very well be bargained away as part of a plea bargain for a guilty plea for some other charge.

Members of the justice committee should take a hard look at this. They should try to determine whether they can legislate that the offence not be subject to a plea bargain or find some other solution. A clear message must be sent to the criminal community in Canada that if criminals carry guns and commit crimes, they will be punished for the crime and for carrying the weapon.

I am also supportive of those parts of the bill which would attack the problem of gun smuggling in Canada. We live next to, arguably, one of the most violent nations on the face of the earth. It is vitally important that those who patrol our borders be given real powers to deal with those who would import guns illegally into Canada.

Again, this is something the justice committee should look at in detail. Should the people who patrol our borders be given powers to be more than revenue collectors? Should the provincial police or RCMP in particular provinces be required to maintain a presence at the borders? A true police presence at our borders would, to my way of thinking, reduce smuggling. I am not saying we should arm our customs agents, but they should be backed up by trained police.

There are other matters which must be looked at in this legislation, for example the position of those who wish to will their gun collections as part of their estate. I believe we should facilitate this. The requirement for those entering Canada to take part in marksmanship contests to obtain a temporary certificate should be looked at to see if it is realistic and workable.

Most of all, I urge members opposite, members from outside metropolitan Toronto as well as inside, to look at Canada and see it for what it is, a vast country where hunting and other outdoor activities are both a way of life to some and a recreation to others.

The registration system proposed in this bill as it sits will not accomplish the goal set for it. Therefore, when it comes time to vote for this bill, or that part on gun registration during clause by clause analysis, vote down those clauses that pertain to the registration system.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I am pleased to take part in the debate on Bill C–68, an act respecting firearms and other weapons.

• (1730)

The riding of Durham has both a rural and an urban component. Being neither a gun owner or user myself, I have gone to the shooting clubs and have listened to the concerns of legal gun owners. I have taken both gun owners and those abused by guns to meet with the Minister of Justice.

I have studied the crime statistics of both the justice department and the gun lobby. I have spoken with our police chief, the local firearms registration officer, judges, police in the field, homicide detectives and finally, I visited Millhaven penitentiary and spoke with murderers in their cells who actually used guns in the commission of crime.

Tougher penalties for the use of firearms in the commission of a crime, tougher controls of cross–border smuggling and trafficking of firearms are all supported by the people of Durham, including legal gun owners.

Rather than looking at the strengths of the legislation I would like to focus on what I see as some weaknesses. Hopefully these matters will be addressed at the committee stage of the bill. I would like to address the matter of the registration of all firearms. As you know, Mr. Speaker, handguns in Canada have had to be registered since the 1940s. I note this has contributed little to the reduction of the use of handguns in the commission of crime.

Primarily the issue for me is one of cost benefit analysis. What are the costs? Who is going to pay? What are the benefits of the system? This revisits the very foundations of our democracy which is that government has entered into a contract with the people. This is Locke's *Two Treaties on Government*. In the 15th century Locke determined that a fundamental democracy was one where people consented to be governed based on an unwritten contract with their government, a contract that implied a basic consent of the people not only to be governed but also, most importantly, to be taxed.

People want to revisit their contract with government. They want to know how taxes are consensual. They want to be part of the process. They want to be included with regard to the taxes they pay and the programs they finance. Across the nation people are demanding more accountability from governments.

Taxpayers want to know how much programs are costing and specifically who is paying for them.

As you may know, Mr. Speaker, I intend to introduce a private member's bill early this spring, the subject of which will be a taxpayers' bill of rights. I note that if this legislation was in place, the current bill would have some additional and much needed information attached to it. Specifically the program would be costed fully during its implementation stage. It would detail the specific costs and would allocate them to the years during implementation. It would also show the anticipated revenues from registration charges to gun owners. Finally, the Auditor General would have certified the costing methods used as being reasonable.

The taxpayer is tired of discovering years after the implementation period of the waste of their money. I would like to quote from the Auditor General's report of 1993 concerning the previous gun registration system that is only a couple of years old: "We found several weaknesses in the methodology, which significantly reduce the extent to which the government, members of Parliament and the Canadian public can rely on the evaluation to be assured that the gun control program is effective".

I am afraid we are about to repeat the errors of the past. I note it has been stated that the proposed new registration system may cost $85 million. However, there is great confusion. The current registration system for handguns costs $60 million per year and includes only 560,000 handguns. There are a minimum of five to six million long guns in Canada.

I have a study here by Professor Gary Mauser at Simon Fraser University that states it could cost $82 per firearm, $496 million, or half a billion dollars. It has been suggested the first year be free to encourage registration. However the taxpayer knows that nothing is free. In studying budget projections, I can see no allocation of funding in the Department of Justice's budget for this program. We need a better fix on how much this program is going to cost.

• (1735)

The taxpayer has the right to know this now. Clearly we can no longer afford the luxury of introducing programs for which we do not know the cost. The taxpayer wants to see better fiscal responsibility and in some ways we have done that in the recent budget.

This leads me to the second part of my analysis, which is the study of the benefits of the system. Benefits would have to be clear and obvious. They would have to promote the common good. They would have to demonstrate that there was clear correlation between registration and the intended results.

At this point I found gun owners generally reasoned people. They have tried to understand why the registration system is thought to be needed and so important today. I would further like to point out that a democratic society is judged not on how it treats its majorities but rather how it treats its minorities.

It is clear to me that the opinions of the majority who do not know the facts are of questionable validity. Most surveys would indicate that the average person is more concerned about crime control than gun registration.

I further note that both gun owners and taxpayers generally are a minority in this debate. It is clear to me that without convincing a sizeable portion of their numbers of the effectiveness and affordability, the registration system will fail.

Here are the stated goals as I understand them of the registration system: that it will allow firearms removal from domestic violence situations; that it will afford law enforcement agents better information when approaching a household for investigation purposes; that it will lead to safer storage practices.

My time today will not let me deal with these issues at length, however the result is that it is totally unclear whether some of these objectives are not already available in the current law and are not being enforced or whether the objectives can be met at all with the registration system for long guns.

I can find no clear documentary evidence from the justice department that makes this case. If I cannot make this leap of faith, neither can long gun owners. This is the real danger of the legislation, that we are placing a sizeable group of people in the category of believing that the system is unwarranted. They see the imposition of fees as an unwarranted tax, the proceeds of which will be wasted on further bureaucracy with no tangible results.

I spoke earlier about the concerns of taxpayers. Needless to say gun owners are taxpayers. I said that they wanted to revisit their contract with government. Do we have examples of where people believe taxing systems exist without consent and how they have reacted? We have only to look at the dreaded goods and services tax, clearly a tax that lacked common consent.

A recent study by the accounting firm Peat Marwick concluded that over 50 per cent of taxpayers would avoid paying this tax if given the opportunity. Police officers in my riding have avoided giving minor speeding tickets because they believe that the three–price increase in one year is just an unwarranted form of taxation on the working class.

The conclusion is that we are developing a system of justice in Canada where people pick and choose the laws they are governed by. This is mainly because they do not feel that they consented to them in the first place.

I do not think this system of justice is sustainable. I believe that it will lead to chaos. Clearly our democracy must be one of inclusion rather than exclusion. Our society is becoming more complex and technical.

I would like to end my comments by quoting from one of our own political philosophers, Mr. George Grant. In his book *Twilight of Justice* he observed that one of the changes to a more technical society in Canada, that the need for control of humans in a technological society increases with the complexity of society. Technique causes the state to become totalitarian, to absorb the citizen's life completely.

• (1740)

Finally, the definition of liberal, which I am, is favouring individual liberty. I hope the committee will take the time to discuss some of these matters.

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, I have owned firearms off and on for more than half a century. I have been a reasonably good citizen but now in the eyes of the Minister of Justice and certainly in the eyes of the popular press, I have become a threat to society, a menace to peace, order and good government.

I am going to be subjected, if these laws that are now before us in Bill C–68 are all lumped together as one—the administrative bureaucracy and the criminal sanctions—of running the risk of being a common criminal. That, to my way of thinking, is neither just nor sane.

If I or anyone else chooses to inconvenience the bureaucracy by failing to comply with the purely administrative requirement, the result will be a criminal record and the penalty could far exceed that which some drunken hoodlums recently received for murdering a harmless old man in the province of Saskatchewan. This is absurd.

The justice minister says that he has actually separated the administrative from the criminal because we have these two sections in the one bill. That is smoke and mirrors if we are still talking about draconian criminal penalties for failure to observe an administrative law. That, in my humble opinion, does not give separation.

I own a few firearms even today but I hardly ever hunt. I do not belong to any shooting club. I do not belong to the NFA. If I lost my guns tomorrow it would not make a big difference to my lifestyle. However, I would be losing something a lot more important than hardware. I would be losing a big piece of my civil liberty.

The justice minister says that the right to own a particular type of property, firearms, is really just a privilege. I submit that Canada's top lawyer has an unbelievably feeble grasp of history and of the common law. Omission from the British North America Act or the charter of rights and freedoms does not mean that a right does not exist. Our legal system is based on British common law and on the sanctity of customary rights.

When Sir William Blackstone codified the common law he noted that every individual has certain absolute rights, including the right to personal security, personal liberty and the right to own and use property. Does that sound familiar? American revolutionaries did not invent those concepts. They merely enshrined in their constitution the rights which as Englishmen they already had.

Blackstone went on to list five auxiliary rights without which the absolute rights could not be protected and maintained. One of them was the right to own personal arms. When Americans passed their famous second amendment to the constitution, their right to bear arms, it was only a modest extension of a right which they had before the revolution.

In Great Britain there has been a steady chipping away at this right, starting in 1870 and accelerating after the first world war. It was supposedly because of the threat from Bolshevik or anarchist terrorists. However, just as in Canada today, public hysteria was fanned by the government and, just as in Canada, laws have become progressively more intrusive, complex and downright repressive. Today they have almost achieved the justice minister's ideal where only police, soldiers and the trusted elite of society have legal firearms. However, there is no shortage of firepower in the U.K.

• (1745)

A few months ago I talked with a Scottish gun dealer and he told me that Great Britain is awash with guns. You can buy one faster and more easily in a pub than from him, and cheaper because there is no tax.

What is accomplished as gun laws are made tougher and tougher? What affect does the hassle and the expensive bureaucracy have on crime? Very little.

I have reviewed firearms legislation and crime statistics from various states south of the border and from several other countries. Now I am going to bore the House with some of the dull facts that the justice department's social engineers cheerfully ignore.

Consider the prairie provinces. Since gun controls began in 1978, the annual homicide rate has averaged about 3.2 per 100,000 people, of which about one–third are committed with guns.

In the four border states of Minnesota, North Dakota, Montana and Idaho the rate was 2.7 per 100,000. That is 16 per cent less. Those are all wide open. The justice minister would probably say those are lawless states where you can own and carry almost anything short of a bazooka.

The District of Columbia, with the most stringent controls of any North American jurisdiction except Mexico has the unbelievably high murder rate of 80 per 100,000 per year, the highest

in the western world. How can there possibly be such problems where guns are strictly controlled?

Maybe it has something to do with cultural and economic forces. Maybe it has something to do with organized crime, drug dealing, racial tension, grinding miserable poverty and a collapsed public education system.

Gun control is an artificially induced smoke screen. It is a cynical ploy to distract the public from the real issues, not the least of which is the breakdown of our criminal justice system. The government helped create this highly emotional issue and now it is playing it for all it is worth. This issue has absolutely no relation to crime control and it is absurd that the justice minister has made the mixture. It is a lot easier to make scapegoats of decent citizens than it is to admit that our justice system is misdirected.

To give the devil his due, this bill does contain some good features actually aimed at criminals instead of ordinary citizens; the four–year minimum sentence for violent offences committed with a firearm, for example, although those receiving this penalty will still be eligible for parole.

In 1978, I told anyone who would listen that we had started down a long slow road to public disarmament, that future violent crimes would serve as excuses for more bureaucracy, that registration by serial number would follow and that the last step would be piecemeal confiscation of weapons, picking off gun owners one at a time. It is all coming true.

Half a million handguns are going to be effectively confiscated, no matter how the minister tries to sugar coat his proposal. Confiscation of registered long guns will begin, as it is already begun with handguns, through a process of natural evolution and will probably be spurred by some horrendous crime such as the Montreal massacre.

Public hysteria is a wonderful tool for government. Early in 1941, before Pearl Harbour, the Government of Canada confiscated the arms of Canadians of Japanese origin living on the west coast. Remember, we were not at war and these were Canadians, but their guns were taken away.

The political establishment was delighted and the tame establishment press bayed its approval, just as it is baying its approval for the proposals on the table in the House today.

• (1750)

This bill is a classic example of the theory of government which states that everything not compulsory shall be forbidden. It is a bit of statism, and a bit of statism, like a bit of cancer, is not good for you.

James Madison said it best: "There are more instances of the abridgement of freedom of people by gradual and silent encroachments of those in power than by violent and sudden usurpations".

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, I welcome this opportunity to take part in today's debate on second reading of Bill C–68, an act respecting firearms and other weapons.

Canada has had a long history in the monitoring and controlling of firearms. Canada has had laws restricting the possession and the use of firearms since 1877. These were a nationwide permit system for the carrying of small arms in effect in 1892. All handguns have had to be registered since 1934. In 1951 a centralized registry for restricted firearms was established under the control of the commissioner of the RCMP.

The classification system of prohibitive weapons and restricted weapons including all handguns and non–restricted long guns was introduced in 1968. This scheme was significantly enhanced by a number of amendments in 1977. The major addition was the creation of the firearms acquisition certificate, FAC, a screening system for those wishing to acquire any firearm including non–restricted hunting rifles and shotguns.

A new administrative regime involving local firearms officers and chief provincial firearms officers appointed by the provinces was also established. Currently the provinces administer the FAC system and most overall gun control. This regime was relatively untouched for over 11 years until the passage of Bill C–17 which received royal assent on December 5, 1991.

To my knowledge the last set of regulations pertaining to Bill C–17 came into force on January 1, 1994 and prescribed the criteria for competence in the safe handling and use of firearms. Barely a year after the implementation of Bill C–17's last set of regulations members are being asked to consider yet another firearms bill.

I propose to offer my comments on what I consider the positive aspects of Bill C–68. I will also offer my opinions on the parts of this bill which require more consideration by the justice committee and I will give my reasons as to why certain sections of this bill should be deleted in their entirety.

The most positive feature of this bill is its no nonsense approach to the criminal use of firearms. To that extent I applaud the proposals to create new offences for the criminal use of firearms, including the minimum four–year sentence for using a firearm in the commission of violent offences and the minimum mandatory sentence of one year for the use of a replica firearm, mandatory jail sentences for the possession of stolen firearms and stiff penalties for illegally importing and trafficking in firearms.

For years Canadians from all walks of life have been demanding stiffer mandatory sentencing provisions for the use of a firearm in the commission of violent offences. Bill C–68 addresses this concern. Mandatory sentencing provisions for the use of a firearm while committing one of the 10 key violent offences of attempted murder, manslaughter, negligence causing death, robbery, kidnapping, hostage taking, sexual assault, aggravated sexual assault, extortion and discharging a firearm within intent to cause harm will be increased from one to four years. Offenders convicted of these offences will also be prohibited from possessing a restricted weapon for life.

I am concerned that section 85 charges might continue to be plea bargained away notwithstanding an increase in minimum sentencing provisions. The justice department's own research shows that two–thirds of section 85 charges laid are either dismissed, stayed or withdrawn because of problems of evidence or plea bargaining.

Bill C–68 also creates a new prohibitive category consisting of certain calibre handguns with a barrel length of 105 millimetres or less. In effect this will result in the prohibition of 58 per cent of the handguns currently in existence in Canada. Like all other owners of prohibited firearms, individuals who possessed these handguns on or before February 14, 1995 will be able to buy and sell only among themselves. Owners of these handguns will be able to use the handguns for the purpose for which they were originally obtained, whether target shooting or collecting. They will be required to demonstrate every five years that their handguns continue to be so used.

• (1755)

These measures are a definite improvement over the action plan of November 30, 1994 which had contemplated a complete prohibition against any use or trade in these prohibited firearms. To his credit, the Minister of Justice has announced his willingness to have the justice committee consider whether handguns in the prohibited class that are used in recognized target shooting competitions should be exempted from the ban.

I am also grateful that the minister has asked the committee to examine the whole question of whether there might be a separate exemption provision for firearms that may have special significance to families as relics or heirlooms.

The minister has also suggested that the committee study the issue of whether technical amendments are necessary for historical re–enactments or heritage events using black powder reproduction firearms.

In each of these cases the Minister of Justice is to be commended for his flexibility. I am deeply disappointed, however, that the minister has remained steadfast in his insistence upon the establishment of a national registration system for all firearms, including non–restricted hunting rifles and shotguns.

Bill C–68 includes provisions for the initiation of universal firearms owner registration where the current FAC will be replaced with a graduated firearms possession certificate, FPC, starting in 1996. Although initially voluntary, by the year 2001 possession of any firearm without an FPC will result in a Criminal Code offence that would carry a sentence of up to five years, one year in excess of the mandatory term proposed for the offence of using a firearm while attempting to murder.

As the second half of the proposed universal registration system, the bill would require every Canadian to register his or her firearm individually. Each firearm is to be identified by make, model, manufacturer's serial number and other identifiers, and a special firearms registration card, FRC, is to be issued for each firearm registered.

We should not be surprised that law–abiding firearms owners are deeply resentful over this registration proposal, which can only be described as intrusive and cumbersome. As more and more makes and models of various types of firearms are either reclassified for regulation or banned outright, we cannot blame some firearms owners for suspecting that the real reason behind registration is a gradual confiscation of most firearms in Canada. Over half of the current legally owned handguns in Canada will be banned as a result of Bill C–68.

It should be obvious by now that criminals do not register their firearms. A universal firearms registry, even if it were fully subscribed to by all legal firearms owners, will not reduce criminal activity involving firearms, nor will it improve public safety. Neither law–abiding firearms owners nor other taxpayers deserve to be burdened with any expense or inconvenience that has no demonstrable effect on reducing crime or improving community safety.

Canadians want tougher measures to be taken to reduce crime. This bill addresses that through mandatory sentencing for the use of firearms in the commission of violent crime.

During the third week of November 1994, when Decima Research asked on behalf of *Maclean's* and CTV what the main reason for the increase in violent crimes is, the greatest number of responses, 40 per cent, said the justice system is too lenient. Only 5 per cent of the over 1,600 respondents said that a lack of tough gun controls was the cause.

Non–firearm owning Canadians are beginning to understand that additional gun controls will only serve to penalize responsible firearms owners unnecessarily and will not reduce crime. The minister insists that a new registration system is the support structure for the government's firearms control package.

I quote from a February 14 news release from the Department of Justice: "A universal registration system will help combat smuggling by monitoring the types and quantities of firearms coming into Canada". How can that be so when by definition smuggling involves evading the very authorities that would be doing the monitoring at Canadian borders?

If we are prepared to spend more money on gun control, let us spend it wisely. It has been suggested by the solicitor general of Ontario that a national task force on firearms smuggling be set up at key border points. I strongly support this proposal. A well co–ordinated task force involving all levels of police forces, additional customs officers and the support of all three levels of government would yield real results in the reduction of smuggled firearms into this country. That is where the real problem exists. It is not in the continued harassment of law–abiding firearms owners.

• (1800)

I sincerely hope the justice committee will insist upon an objective, dispassionate examination of the utility of a national registration system as set out in the bill. I hope that at the end of its study it would conclude that the current system requiring a firearms acquisition certificate is more than adequate and that if anything has to be done to curb the criminal use of firearms, the work has to be done at Canada's borders and in our court rooms.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I am very pleased today to stand in the House to speak on the Reform motion to split Bill C–68. It reads:

> That all the words after the word "that" be deleted and the following substituted therefor:
>
> This House decline to give second reading to Bill C–68, an act respecting firearms and other weapons, because the principle of establishing a system for licensing and registration of all firearms and the principle of creating a variety of offences are two unrelated issues that should be addressed separately.

I concur with the motion and I encourage members opposite to support Reform in the motion to split the bill.

I will read an excerpt from a letter from a constituent, Mr. Ole Raasok of Irma, Alberta. He specifically asked me to mention his name and to read his letter if I had the opportunity. He wrote:

> I was living in Norway when the Germans invaded our country in April 1940 and took control of government in June 1940 after Norway's capitulation.
>
> In the fall of 1940 all gun owners were ordered to register their shotguns and rifles if they wished to hunt. As law–abiding citizens wanting to hunt, we were dumb enough to register our guns.

I am reading from a letter sent to me by a constituent who was raised in Norway and who experienced registration. I encourage all members opposite to listen carefully to what this gentleman has to say. I believe we should not make light of individuals who have had similar experiences. He continued:

> The following year we received an order to deliver all of our guns to the police. There was no use in trying to hide them because the guns were already registered and the government had the numbers. The guns were never returned and no compensation was made for them. I believe this is the hon. justice minister's plan.
>
> I became a lieutenant in the reserve army before I immigrated to Canada in 1951. In that capacity I had full command over 160 men who all had their own weapons in their homes. There was never any talk of registration or permits to transport or use guns. Statistics show that Norway has one of the lowest criminal use of firearms in the world.

I have read only part of the letter from my constituent. I have heard many members opposite say that any idea or any suggestion by Canadians that registration and tougher gun control would lead to confiscation is ridiculous.

Whether it is the intention of the government to move to confiscation after registration, I have no idea. I would tend to think not. However I believe it is healthy for people in a democracy to have a certain level of distrust for government.

My constituent has seen the effect of not having a healthy level of distrust. I ask hon. members opposite to understand that many Canadians have this concern. Some do not trust this government and others will not trust future governments. It is important to listen to these concerns and it is important in a democracy to have a certain level of distrust.

• (1805)

History has shown that Norway is a prime example that registration leads to confiscation. Is this what the minister has in mind for Canadians? This question is often asked of me in my constituency. It was not just every now and again but every day over the past 10 days. Every single day I had constituents ask me whether the minister had in mind confiscation after registration.

Earlier statements made by the minister suggested that he would prefer to have guns only in the hands of the police and the armed forces. The statement was made shortly after the House started sitting about a year ago.

I fully support the motion put forward by the hon. member for Yorkton—Melville because it will separate the so–called crime bill into two different parts. It is logical to split the bill because we are dealing with two different issues. On the one hand is the aspect of targeting crime and on the other hand is the anti–gun sentiment of the legislation which I do not support. The motion is necessary because it focuses on the real problem of crime.

We as members of the Reform Party support a crime bill. We support measures that would get tougher in dealing with the criminal use of firearms, including penalties for smuggling.

However we do not support targeting law–abiding Canadians simply because they own guns.

From day one Reformers stated that legitimate law–abiding gun owners were not the problem but rather that the problem stemmed from the criminal use of guns in the commission of crime. We need to ask why the minister has chosen to put these two parts of the issue together in the same bill. While I cannot answer the question for certain I believe it is a legitimate question. When we consider that Canada already has some of the toughest gun control laws in the world it is particularly an appropriate question.

To link tougher gun control to crime fighting might sound politically appealing, but there is no statistical evidence to support the legitimacy of the idea. If the minister could provide us with some evidence we would not oppose the original legislation. The reality is that he cannot provide the information because it does not exist.

Several constituents have come to me saying that they had written a letter to the Minister of Justice asking specifically for any evidence he might have to show that more gun control would do anything to help prevent crimes committed with guns and to show that a registration system would prevent even one death. So far none of the constituents have had an answer to their letters. That is a shame. It is a serious question and they are not getting the answer.

Another concern has been raised often in my constituency concerning the computer system that will be set up to accommodate the central registry. The concern of my constituents in this regard is about the central registry and a hacker accessing the system.

We know hackers are very capable. They have accessed military secrets in the United States. They can get the names and use them in two ways. First, they can be used to find the locations of large collections of guns so that they can be more easily stolen. Second, criminals could determine from the lists where easy targets for break and enter may exist, where they feel the guns are not there and therefore they are easy targets.

My constituents have many other questions over past weeks and indeed over the past year. However I will close by saying that I would like answers from the minister to the two areas of concern expressed by my constituents. I do not believe he can give an answer in terms of the motive behind the registry, not necessarily the minister's motive but the motive of future governments. Also there is the possibility of the computer system being broken into and guns being stolen or a break and enter taking place.

• (1810)

The Deputy Speaker: I am sorry but the member's time has expired.

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, I rise in the House this evening to address a matter that has attracted a great deal of concern in my constituency of Huron—Bruce.

On November 30, 1994 the Minister of Justice and Attorney General of Canada announced the government's action plan on firearms control. This was a series of proposals designed to generate comments and constructive criticism from Canadians so they might have an equal partnership in forming the bill before the House today.

The people of Huron—Bruce seized the opportunity to comment on the issue, causing my Parliament Hill and constituency offices to be flooded with thousands of calls, letters and visits.

Among the proposals was a mandatory minimum sentence of four years in prison in addition to a lifetime prohibition against possession of a restricted weapon when convicted of committing any one of or a combination of ten specific offences with a firearm. Among those offences, attempted murder, armed robbery and sexual assault with a weapon were included. Also included in the proposals were new Criminal Code offences with strict new penalties for illegal importing and trafficking firearms, enhanced border controls with improved inspections, and permit requirements for import, export and in transit shipments of firearms within Canada.

I take this opportunity to commend the minister for putting forth the aforementioned crime control measures. I would however like to draw attention to Bill C–68, an act respecting firearms and other weapons that is currently being debated in the House.

The act encompasses most of the original proposals released by the justice department, including a new mandatory registration system and a ban on a variety of specific handguns and replica weapons. As I have mentioned before, the proposals prompted a massive outcry in my constituency. In response I have spoken and met with many groups and individuals in an attempt to acquire an understanding of their views.

The process has allowed me to speak directly with my constituents, thus giving me a good understanding of their thoughts and views. As an avid hunter and sportsman I am pleased to recognize the government taking the initiative to punish individuals for the illegal use of firearms. However I am not able to support further restrictions being placed on the legitimate and safe gun owner.

Bill C–68 is a bill that resulted from many tragic events in recent Canadian history such as the massacre at Montreal's École polytechnique in 1989 and a recent drive–by shooting in Ottawa. The events have fuelled the fires of public demands for changes to the Criminal Code with respect to the illegal use of firearms.

The most recent package of gun control measures is known collectively as Bill C–17. The process of putting the legal aspects of the bill into place has only now just begun. Unless the new law is successfully implemented the changes contained in the legislation run the risk of becoming little more than symbolic gestures by the government to satisfy public opinion.

Good policy development and the delivery of adequate laws also include effective implementation and enforcement. There has not been enough time for the regulations contained in Bill C–17 to be fully realized. Thus the effectiveness of the regulations is also not fully understood. One can therefore reason that if this is true it is also too early to impose or evaluate the effectiveness of further controls such as a national registration system that would require more time and would place further stress on the already sparse financial resources of the nation's taxpayer.

There are clear constraints in public funding when it comes to our police forces that are already responsible for protecting our citizens under other provisions of the Criminal Code. It has been estimated by the justice department that implementation of a registration system could cost up to $85 million with an annual maintenance cost of $10 million, not considering annual increases.

Public safety will only be endangered if we dilute our resources. As a result we as members of Parliament must take care in allocating the limited funds we have in this area to ensure they are spent in the most effective and practical way possible.

It must be reiterated that gun control only plays a small role in our overall criminal justice system. Other aspects of the Criminal Code need to be fortified to effectively combat violent criminal activities.

As a legitimate gun owner I am already subjected to a large number of controls. By law, to purchase a firearm I must complete a firearm acquisition certificate course, pass a formal examination and submit to a thorough police examination of my social, employment and psychological history. I must also provide the police with character references that they can investigate to ensure I will use my firearms in a responsible manner. In addition, there is a mandatory 28–day waiting period before I receive my FAC with picture identification.

• (1815)

If I wish to hunt, I must first pass a mandatory hunting course which covers firearm handling and safety. I must then also submit to a provincially regulated test which further reiterates these points.

In addition to these regulations, the province of Ontario has strict ammunition purchasing regulations in effect. Once I have the gun and the legal ability to hunt, I must then adhere to stringent laws regarding separate storage of the firearm and the ammunition under lock and key, rigid transportation standards and tough guidelines for using firearms.

This clearly demonstrates how heavily the legitimate gun owners are already regulated. These regulations, like all gun control regulations, are very difficult to enforce. The police simply cannot search each household to see if these rules are being observed.

The UN estimates that firearm owners represent approximately 27 per cent of the Canadian population or seven million people owning up to 27 million firearms which is considerably more than what people are telling us in most of this debate.

Perhaps the government should concentrate its efforts on implementing innovative and cost effective methods of enforcing the laws currently in place. One such example could be a community based group of gun owners checking the homes of other gun owners in their area. This would alleviate the suspicions that many Canadians have of government intrusion in their daily lives and would assist in the enforcement of the safe storage aspects of Bill C–17.

Third, I would argue that crime control would be a more effective method of obtaining further public security. We must punish the criminal element and leave the law–abiding citizens alone. Firearms owners possess and use their firearms in a safe and responsible manner and do not contribute to crime or violent death and injury statistics.

In addition, the Canadian Centre for Justice Statistics reports that in 1991 two–thirds of all accused murderers were known to have criminal records, the majority for previous violent offences, and were already prohibited from legally owning or acquiring a firearm.

To further illustrate my point of the small number of firearms involved in deaths in this country, I would offer the fact that in 1991 only one person out of every 400,000 Canadians died as a result of a fatal gun accident compared to one person out of every 14,000 who died as a result of a fall. I am suggesting that we have adequate controls in place but we are simply not enforcing them.

Under Bill C–17 all firearms are required to be trigger locked in a locked cabinet separate from the ammunition. An analysis of fatal gun accidents in the United States could not locate even one instance where a child victim or shooter discovered a locked gun, unlocked it and shot themselves or someone else. Studies also indicate that at least one–half of all accidental shootings involved the consumption of alcohol just prior to the incident. How will the registration system prevent this from occurring?

Canadians must bear the responsibility of using their firearms in a responsible manner. The Government of Canada should not be asked to shoulder this burden. We must congratulate firearms owners in this nation for their initiatives into the area of the safe handling of firearms, not condemn them for their efforts. In

Canada, while firearm ownership has increased, the accidental death rate has reduced by 80 per cent between 1986 and 1991.

In conclusion, people are demanding that we take action to further protect them from violent crime and other illegal activities present in certain areas of our society. The problem that the minister and indeed the entire government faces is the question of what response is most appropriate.

In his recent report, the Auditor General expressed concerns over the lack of evidence to justify the fact that the Canadian government passed more gun control legislation between 1977 and 1995 than in the entire preceding 50 years. The Auditor General also questioned the enforceability of the laws contained in Bill C–17. He also expressed anxiety over the lack of uniformity across the country regarding the FAC screening system.

These concerns are only a few expressed by the Auditor General and others concerned with this issue. I call upon the minister to consider the Auditor General's comments and the comments of all Canadians. Hunters and collectors compose a large part of our population and generate revenue for our economy each year through licensing fees, conservation efforts and the recreational hunting industry.

Canada's first explorers were from Europe, coureurs des bois who served the vital function of opening the new world to settlers. Hunting and responsible gun ownership is an intricate part of our rich heritage.

I suggest to the minister and to the House that firearms can co–exist with all Canadians in an allegorical guns and roses relationship respecting individual rights and privileges without further imposing unnecessary, cumbersome and expensive regulations on legitimate firearms owners and our nation's finances. The process must begin here with us.

• (1820)

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, of course I would like to see support for the amendment to split this bill. That is the way we should proceed.

I received some information with regard to the registration system recommended by the minister. The minister has said both inside and outside this House that it is going to be a simplified system, that it is going to place a tool in the hands of the law enforcement agencies to help them do their job and maintain a safer society. All the law–abiding gun owner will have to do is pick up a card at the post office or one of the stores in his or her community, fill in the make, model and serial number of their firearm and mail the card in.

Last week I visited three of the RCMP forensic laboratories and spoke with their technical experts on this matter. Either the information they have is not getting through to the minister or he is ignoring it. When I asked them about this concept of having the gun owner fill in a card and send it in, they laughed.

I also found out that these labs have what they call a standard collection of firearms, meaning they are one of a kind. No two firearms are the same in the collection. These standard collections are in every one of their labs across the country.

In this one lab the technicians had examined the long guns of which there were just under a thousand. They found that 20 per cent of those firearms did not have serial numbers and 1.7 per cent could not be identified.

I do not know how the justice minister is going to create a registration system when 20 per cent of a standard collection that is fairly representative of the firearms in this country do not have serial numbers. How are we going to register a firearm that does not have a serial number?

When I asked these questions the technicians' response was that they would have to be brought in. Brought in where? To the labs that do not as yet have but would have the technology to handle the thousands of firearms that would have to be brought in.

Already they are examining the feasibility of what form and what type of system ought to be used to place a serial number on a firearm. Certainly it is going to cost more than $10 a firearm. Certainly it is not going to impose a simple constraint on a gun owner to fill out a form. I ask the minister, how in the world can a serial number be written on a card if there is no serial number on the gun?

I was also told that many firearms in this country are over 100 years old. A firearm does not wear out. A firearm is usually maintained fairly well by the owner. Many of those firearms do not have the manufacturer's name, the calibre, or any identifying marks other than perhaps a model number or a serial number.

I was shown a firearm that had been imported from Russia. There are thousands of them in Canada, according to the information given to me. All it has on it is a serial number consisting of two Russian letters and three numbers. There is not the calibre, the make or any other identifying features on that firearm.

• (1825)

If we are going to develop a registration system which is truly going to be a workable and a valuable tool in the hands of our law enforcement agencies, we had better take a careful look at what we are going to do.

It is important, proper and wise that we consider the amendment before the House now. If the minister will consider splitting this bill, let us put our efforts together to devise a bill directed at the criminal use of firearms. If there are people who honestly and sincerely believe that universal registration will help, let us examine it before we go forward. Let us not hurry

into something that our technicians are telling us will not work and will certainly cost a lot more than $85 million to establish.

I ask the minister if he would consider these proposals. This kind of information is going to be laid, lock, stock and barrel, before the standing committee, through witness after witness we will bring forward, from either the RCMP or the city police forces from across this country which have to deal with the problem. They are now faced with a situation in which they have to give a legal opinion in court instead of a technical opinion. I will give the House an example.

If the minister goes forward and creates an offence for a person in possession of a handgun based upon its calibre, such as the .32 and the .25, that will create a serious problem. The reason for that is simple. Although the offence, the charge, the information in court will indicate that the individual is in violation of a section by virtue of the fact that they are in possession of a .32 calibre, all the defence counsel has to do is ask the technical witness about the calibre of the handgun?

Although marked on its side that it is a .32 calibre, the definition of calibre, according to these technicians, is not what is marked on the side, but by the size of the projectile it fires. The .32 calibre, according to them, fires a .30 calibre projectile.

I asked them what they would say on the witness stand when asked about the calibre. They said they would simply tell the court that it is designed as a .32, its markings are that of a .32, but it fires a .30 calibre projectile and they would let the judge decide. If they had respond yes or no to whether the firearm is .32 calibre, they said they would not respond. I asked them if they have ever considered a career in politics.

My point is that there are a host of technical difficulties. When it comes to placing the identifying features from a firearm on to a registration card that the police will be able to identify without question, if they come across an individual with a firearm in the back seat of a car or in the trunk of a car for example, they are not going to be able to positively identify that firearm.

All we have to do is look at the Terence Wade report in which he outlined the problems within the present handgun registration system. Approximately 30 per cent of the information contained in that system is simply useless.

I understand from some of the legal opinions I am hearing that soon the challenges in court will render the handgun registration system invalid within a court of law because it cannot be relied upon.

• (1830)

There are so many different types of firearms that we are going to have an extreme degree of difficulty registering them to the point at which the registration card issued can identify one specific firearm out of the 7 million to 20 million that exist in Canada today.

I point out difficulties that the registration system will have. It flies in the face of what the justice minister has said in terms of simplicity.

If it is going to be as simple as the justice minister has indicated, then it is not going to be worth the powder to blow it in the hands of the police officers as an enforcement tool.

Let us take a look at this. Let us go forward with the portion directed at the criminal use of firearms. Let us take a second look at the other part.

The Deputy Speaker: According to the rules there is a six–minute extension of the debate because of the statement made earlier.

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, having served on the committee and being a member of the wildlife federation and coming from a rural riding of Saskatchewan, I am very concerned with the bill in its present form.

I support the minister with regard to the criminal element, the four–year mandatory sentence for the commission of a crime with a firearm. The use of a fake firearm in the commission of a crime and a one–year mandatory sentence I support wholeheartedly. Those actions that would take into consideration smuggling and other offences involving guns and other illegal activities I support wholeheartedly.

However, I have some strong reservations with regard to registration. If I am going to ask the citizens of Souris—Moose Mountain or any other area to spend $85 million, we have to consider what we are going to do for that cost.

I am prepared to register. I have owned guns all my life. I am a wildlife member and a firearms safety instructor. I was never impressed with the FAC formed some years ago. Now we have a four–page document. The government might as well have made it 30 pages and we could have had a light history of each of us as we own handguns.

In Saskatchewan most of the people who own handguns handle them safely, especially those who are members of handgun clubs. They have to adhere to all the rules and regulations.

As wildlife members we have to make sure that under Bill C–17 we store our guns and ammunition properly. We do have a responsibility to one another. As a hunter, in order for me to go on any other person's land I have to respect it. That is a privilege, not a right.

Many of us think it is a right and not very many farmers post their land because they expect that each of us going on that land does respect each other's property.

However, within the framework of the legislation as it comes forward, the reservations I have are that if we impose the opportunity for someone to enter into my home and check to see whether I have certain compliances, I would rather they do that with a search warrant.

Make no mistake. Legislation is not easy but it is all encompassing. Friends of mine have smaller barrelled guns that are virtually at the end of their time. They have spent great amounts of money on them and treasure them as relics. Those will now go to the criminal element because they will not register them or they will have to get rid of them.

• (1835)

If we are going to confiscate, compensate. People would accept that. When I was on the committee I did not say anything about handguns. I think we have to very careful of the direction we take in this regard.

I am very concerned. Rather than speaking to the media, this is the place where we should exercise our opportunity as members of this House on both sides to speak very clearly about how we feel.

I do not believe I would gain any points by going before the news media, trying to unravel where we are going. I credit the minister and the justice committee will review both the directions of my friends opposite and members on our side.

I will have the opportunity to vote against this bill. I cannot support it in its present form. However, that does not mean to say that I will not take a look at the changes that will come forward and address them to see if they meet the needs of the Canadians I represent.

I appreciate the opportunity to be frank and honest about a bill that I know the minister has great concern for, and great concern for all Canadians. Let us take a look at the changes and let us register our concern and our final judgment on it.

ADJOURNMENT PROCEEDINGS

[*Translation*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

THE BUDGET

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, on March 1, in a question to the Minister of Citizenship and Immigration, I objected to the $975 fee announced in the budget that will be charged to anyone who wishes to immigrate to Canada, in addition to the $500 they have to pay to have their file processed by immigration officers.

Canada is now one of the most expensive immigration countries. This unfair and unacceptable decision adds to the incredible increase in all fees connected with immigration and citizenship. By the same token, I want to condemn office closures and personnel cuts at the Department of Citizenship and Immigration and the drastic reduction in the number of IRB commissioners.

These exorbitant fees are the equivalent of several months or even a year's wages for immigrants from poor countries. Refugees could not even afford to pay $500, so how could they pay an additional $975? Most of them arrive in Canada without any money. Sometimes they lost everything they had in their country of origin. When they arrive here, they have to get winter clothes, food and accommodation for their families. This tax is cruel and inhumane.

With this measure, how can Canada claim to honour this country's humanitarian tradition with respect to displaced or persecuted persons, as specified in the Immigration Act? Furthermore, the vast majority of refugees throughout the world are women and children. This measure will make sponsorship and family reunification even more difficult.

I want to take this opportunity to condemn the treatment of refugees scheduled for deportation at the Malton detention centre near the airport in Toronto. Last Wednesday, a citizen of Uruguay who was to be deported had to be taken to hospital after he tried to commit suicide. I mentioned the case of twelve people of Hispanic origin who were ill treated.

• (1840)

I again want to ask the minister to investigate these allegations and to deal with those who are responsible for this very serious and unacceptable situation.

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, newcomers to Canada have access to the universal social programs that are paid for by all Canadians.

Immigrants and refugees also have access to our extensive integration and settlement services, the best in the world. The cost of these programs is $271 million a year, a great part of which goes to the province of Quebec. We are talking about language training, assistance in job searches and help for families enrolling their children in schools. The list goes on.

Canadians have told us through consultations that they want those who derive benefits from Canada's wide range of programs and services to help pay for them. Refugees and immigrants have said they want to help as well.

We recognize that not everyone will be able to afford the fee. For that reason we have created a new loan option that will enable refugees to get the financial assistance they need. Like

the loan option for travel, we expect that they will repay those loans at the 95 per cent rate at which they repay the others.

Newcomers to Canada make an investment in their future, a Canadian future, and this is a small price to pay for living in the best country in the world.

LOW LEVEL FLIGHTS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, on March 3 in question period I brought to the attention of the House the report of the federal environmental assessment panel which reviewed low level military training flights in Labrador and Quebec. Approximately 6,000 to 7,000 low level training flights a year are currently being conducted out of Canadian forces base Goose Bay.

These flights are allowed under a 10–year multilateral memorandum of understanding agreement signed by Canada and the NATO allies which expires in 1996. The assessment panel report recommends that the government accept the Department of National Defence proposal to negotiate a new agreement that would more than double the number of flights, establish a new practice bombing range and expand the flight training area.

This would effectively concentrate the flights over traditional lands that have been used and occupied by the Innu nation for more than 9,000 years. After 10 years of experience observing the effects of these flights, the Innu contend that the noise adversely affects the wildlife, especially caribou, which they rely on for food.

The noise also causes the Innu mental and physical stress and disrupts their culture and traditional way of life. Many Innu boycotted the hearings because they felt these concerns as well as issues relating to aboriginal rights and land claims negotiations were not being adequately dealt with by the panel.

Although the panel did not adequately address the issues raised by aboriginal people, it did acknowledge that research concerning environmental effects on the flights was lacking. On this point the report is very clear: "So little is known about much of the wildlife in the training areas and the effects of overflights on them over the longer term that much uncertainty and hence concern remains. As a result the panel could not draw conclusions on the longer term effect of low level flying on the natural systems".

The panel therefore recommended that the project proceed only if key conditions are met and certain issues are dealt with. The first condition is that before a new low level flying agreement is signed and the flights are allowed to continue, the government must establish an independent institute to study and monitor the effects of the flights.

The panel also recommended that as soon as possible the government establish a joint management board for the George River caribou herd and settle aboriginal land claims in the affected area.

In question period the Minister of National Defence gave no indication of whether he agrees or disagrees with the report, if he would recommend that cabinet accept the report or what measures the government will take to ensure that the panel's conditions are met.

The government's own assessment panel admits the impacts on the environment and aboriginal rights are unknown and DND's avoidance procedures probably will not work. Does the government think that these flights should be allowed to continue when their effects are unknown? When one does not know the impact of something, it may not be wise to proceed.

It is important for the Innu people whose lives will continue to be affected by this program to know now if the government will accept the panel's report and, if the government does accept the recommendations in the report, what steps will be taken to address the issues identified by the panel and ensure that its major conditions including land claims negotiations will be met. This is an important point, especially since it appears clear that the provincial government of Newfoundland, because of the land claims dispute, will not enter into land claims negotiations with the Innu people. It is very important to know how the Government of Canada will respond to this very important matter.

• (1845)

The government must ensure that it does not address the economic interests of one group while ignoring the economic interests of another.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, you will perhaps recall that the Department of National Defence had requested an environmental assessment be initiated to study the impact of an increase in the activity of low level flights at CFB Goose Bay.

The panel known as the FEARO panel has submitted its report to two of my colleagues, the Minister of the Environment and the Minister of National Defence. The panel has made every effort to hear from groups and individuals interested in putting their views forward. It has made recommendations to the government after considering their views.

[*Translation*]

The panel concluded that stopping the military flights would be very damaging to the region's economy. It recommended that this activity be allowed to continue, under certain conditions set out in the report. According to the seven members of the panel, there was little concrete evidence, at that stage, that the flights had a substantial negative impact on the environment, human health or the community.

[*English*]

The federal government is now studying the advice of the panel and will prepare a response to the panel's recommendations. It will be made public on completion.

ROYAL BANK OF CANADA

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, I am pleased to have a chance this afternoon to speak about the tax system and in particular how it affects banks in Canada. I want to lead off first of all with a comment from the "Budget in Brief" or the budget itself.

I remember the Minister of Finance in his speech talked about the fact that the government was going to get tough. It was going to close off some loopholes. For example, the large corporation tax rate was going to increase by 12.5 per cent. I remember my friends on the Liberal benches were cheering at that point. There was a a lot of applauding and actually a couple of half–effort standing ovations.

This was a 12 per cent increase of the large corporation tax rate. The tax rate of large corporations will rise from 0.2 per cent to 0.22 per cent. Granted that is 12 per cent but it is a tax going from 0.2 per cent to 0.22 per cent. Anyone who knows anything about mathematics would say this is infinitesimal and yet technically it is an increase. My gosh, we are hardly getting tough when the tax rate goes from 0.2 to 0.22. Yet that is the kind of impression the government left, that it had gone to all kinds of trouble to close loopholes.

I am prepared to say this afternoon that the government did not close any loopholes. Even the old family trust, the one that is favoured and is considered the mother of all tax loopholes, is still there. Basically it was just tinkered with and that privilege will continue.

Let us talk about the Royal Bank. If there is one corporate sector that is held up it is the banking sector. I want to challenge people opposite and perhaps anyone watching to take a look at the annual report of the Royal Bank of Canada for 1993. When looking through this report, and granted I am not an accountant or a tax lawyer, but I have read a lot of annual reports and financial statements, to me it says the bank does not pay income tax. Page after page says basically that.

When I spoke with the bank I was told that is not technically correct. It actually pays tax. I have got to say today that the Royal Bank does pay some tax. The Royal Bank pays all the usual taxes that corporations pay but we have to realize that the Royal Bank is included in a number of subsidiaries. When we add up all of the subsidiaries which include things like Royal Bank Mortgage Corporation, RBC Dominion Securities Limited, Royal Trust, the Royal Bank Canada (Barbados) Limited, the Voyageur Insurance Company and many more—the consolidated umbrella of all of the aspects of the Royal Bank—it does pay income tax. As a matter of fact, it paid about $509 million in 1992.

However, what we would call a bank that we go into with tellers where we get a mortgage, a car loan or whatever, actually lost money. Therefore, in spite of all of its fees and so on, it did not pay income tax. It did pay a minimum corporate tax and did pay the corporation tax of 0.2 per cent which the government has now raised to 0.22 per cent. While the bank, including all of its subsidiary operations did pay income tax, for clarification the Royal Bank per se, unconsolidated, did not pay income tax. Therein lies the difference.

Did the budget change any of that? No, it did not. As a matter of fact, the budget changed very little of our tax system. I would be remiss this afternoon not to say that the large share of our accumulated debt—more than 45 per cent—comes from all of the tax loopholes we have in the system. That is what has caused a lot of our debt. Yet the government did not take any steps in any substantive way to close these loopholes.

I would be interested to hear what my hon. friend has to say in terms of whether the Royal Bank has paid income tax or not. Remember—

The Deputy Speaker: The hon. Parliamentary Secretary to the Minister of Finance.

[*Translation*]

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Mr. Speaker, several banks reported record profits in 1994. This has led observers to wonder whether the banks are paying their fair share of taxes.

Banks pay a considerable amount of taxes. They pay income tax and are subject to two federal capital taxes, including the large corporation tax which applies to all corporations with more than $10 million in capital, and the capital tax for large financial institutions which acts as a minimum tax.

During the period 1991–93, the six largest banks and their mortgage loan affiliates paid nearly $1 billion annually in federal income tax and capital tax. The banks also pay income tax, capital tax, property tax and other types of taxes to provinces and municipalities.

Members are probably aware of measures that were introduced in the last two budgets to ensure that banks, and financial institutions generally, continue to pay their fair share of taxes. This year's budget introduced a special tax on the capital of large deposit institutions, including banks.

[*English*]

The Deputy Speaker: Under our rules the motion to adjourn the House is deemed to have been adopted. Accordingly, the House stands adjourned until 10 a.m. tomorrow.

(The House adjourned at 6.53 p.m.)

HOUSE OF COMMONS

Tuesday, March 14, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 24 petitions.

* * *

COMMITTEES OF THE HOUSE

FINANCE

Mr. Jim Peterson (Willowdale, Lib.): Mr. Speaker, I have the honour to table the 13th report of the Finance Committee dealing with the borrowing authority.

I wish to thank members from all parties for their co–operation.

* * *

PETITIONS

HUMAN RIGHTS

Mr. Jim Peterson (Willowdale, Lib.): Mr. Speaker, I have the honour to present two petitions today. The first one calls upon Parliament to amend the Canadian Human Rights Act to protect individuals from discrimination based on sexual orientation.

The second petition asks for the opposite.

[*Translation*]

SEXUAL ORIENTATION

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I have a petition pursuant to Standing Order 36 asking the Canadian government to conform to the decision of the courts, which have ordered that the Canadian Human Rights Act be interpreted as also prohibiting discrimination on the basis of sexual orientation.

The petitioners therefore ask Parliament to amend the Canadian Human Rights Act in order to protect people against discrimination on the basis of sexual orientation, and I support this petition.

[*English*]

JUSTICE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, it is my pleasure this morning to present a petition containing 5,703 signatures from the lower mainland.

There has been great concern not only in my constituency and my area but across Canada for dangerous offenders walking our streets. These petitioners are asking Parliament to enact legislation against serious personal injury crimes being committed by high risk offenders by permitting the use of post sentence detention orders and specifically by passing Bill C–240.

It is my honour to present this on behalf of my petitioners.

GOVERNMENT SPENDING

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I have two petitions to present today. The first petition comes from 1,520 petitioners of the riding of Okanagan—Similkameen—Merritt.

• (1005)

They call on Parliament to reduce the federal deficit by reducing government spending and refrain from any form of increased taxation. The government has ignored that already.

GUN CONTROL

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the second petition deals with 1,032 petitioners from Okanagan—Similkameen—Merritt who call on Parliament to oppose further legislation for firearms acquisition and possession and to provide strict guidelines and mandatory sentences for the use or possession of a firearm in the commission of a violent crime.

This brings to date 2,958 petitioners from my riding. I support both these petitions.

ASSISTED SUICIDE

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, it is my privilege to present a petition with 38 signatures from citizens of the town of Elkford calling upon Parliament not to enact any

legislation that would allow doctor assisted suicide. I concur with this petition.

JUSTICE

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I have two petitions today.

The first, certified pursuant to Standing Order 36, is signed by residents of Ontario and Saskatchewan, some from the town of Wilkie, Saskatchewan, North Battleford, Saskatchewan.

The petitioners note that Robert Latimer of Saskatchewan was sentenced to life in prison for second degree murder with no chance of parole for 10 years. The petitioners believe the law should be flexible and based on the individual. They believe that his sentence is unfair and out of proportion.

The petitioners request that Parliament grant Robert Latimer a pardon, conditionally or unconditionally, for his conviction of second degree murder in the death of his daughter.

SOCIAL PROGRAMS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the second petition is signed by many Canadians from all parts of the country.

The petition collected by members of the Council of Canadians notes that the petitioners have a right to health care if they are sick, to education if they need training, to a pension if they are senior, to insurance against joblessness if they are a worker, to assistance if they are poor or homeless, to day care services if they are a parent working outside the home and to access to cultural institutions.

The petitioners note that social programs form the very fabric of Canada and that cuts to social programs are not necessary since tax breaks and subsidies to wealthy individuals and profitable corporations have caused close to half the debt while social programs have caused less than 6 per cent.

The petitioners call on Parliament to maintain and enhance social programs which are the right and heritage of all Canadians.

HUMAN RIGHTS

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I have two petitions to present today on behalf of the citizens of Calgary North.

The first petition prays that Parliament will ensure that the federal Human Rights Act will not be amended to include the phrase sexual orientation as a prohibited grounds of discrimination.

ASSISTED SUICIDE

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, the second petition prays that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

HATE CRIMES

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, it is my duty to present a petition which calls on Parliament to oppose amendments to the federal Criminal Code to include hate crimes legislation.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, Question No. 92 will be answered today.

[*Text*]

Question No. 92—**Mr. Harper:**

What will each department or agency spend on television, print or radio advertising during the 1994–95 budget year?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister of Atlantic Canada Opportunities): The following is the amount spent on or committed to advertising for the period April 1, 1994 to November 1, 1994 by departments and agencies through the Advertising Management Group (AMG).

If a department or agency is not listed, it is because there was no advertising activity undertaken for them by AMG in the stated period. Previously, departments were required to submit advertising plans to AMG annually. However, this was not the case for fiscal year 1994/95.

On May 11, 1994, Public Works and Government Services Canada (PWGSC) released new guidelines for advertising and public opinion research contracting. AMG retains contracting authority for these services, as well as responsibility for providing advice and services to departments to ensure consistency with overall government priorities. The new system is being developed and will be implemented in fiscal year 1995/96.

		Expenditures (incl. taxes)		
Department	Committed (incl. taxes)	Print	TV	Radio
Fisheries & Oceans	4,736	3,903		
Transport Canada	329,139	170,803		
Human Resources	375,364	1,414		
National Defence	22,095	15,865		
Federal Office Regional Development (Quebec)	61,456	60,905		
National Archives	66,749	41,437		14,476
Foreign Affairs & International Trade	124,322	100,434		
National Research Council	272,462	210,150		

Department	Committed (incl. taxes)	Print	TV	Radio
Commission of Inquiry – blood systems	21,720	11,326		
Statistics Canada	30,649	24,163		
Finance (Bank of Canada)	7,644,293	3,105,771	3,271,624	661,899
Veterans Affairs	1,636	1,636		
Industry (Tourism) Canada	764,710	240,952		
Industry Canada (aboriginal)	7,294	7,249		
National Library	95,355	51,177		
Canadian Heritage	96,859	29,761		
Public Works & Government Services	1,075,393	843,604		24,448
Health Canada	623,200			
Natural Resources	124,650			
Privy Council	436,275			
Total	12,178,357	4,920,550	3,271,624	700,823
Grand Total	$ 12,178,357	Grand Total	$ 8,892,997	

[*English*]

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

The Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

THE BUDGET

FINANCIAL STATEMENT OF MINISTER OF FINANCE

The House resumed from March 1 consideration of the motion that this House approves in general the budgetary policy of the government; and the amendment.

• (1010)

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, the Reform Party will be splitting its time.

As this House debates the budget we are discussing the very future of this country. We have already mortgaged our children's future. They will not be paying for their own social programs. They will be paying for ours.

How can government members sit here so smugly knowing that during the course of this Parliament the amount of money that we will have to make in interest payments will increase from $38 billion to over $50 billion? This increase of over 30 per cent is an additional burden that will continue to grow. Billions fewer dollars will be available for social programs and government operations.

The government says this is good. Liberal members say it is all right that one–third of government spending is for yesterday's programs. They claim they are at least slowing down the rate of growth of interest payments. I do not see how it can be considered much of a consolation knowing that the country is going bankrupt at a slower rate.

All this budget does is delay the inevitable. The fact that this budget was viewed as tough is not so much a compliment to this budget, rather it is a scathing indictment of previous budgets. If previous finance ministers had been sufficiently courageous to make the necessary cuts in the past, by today's standards those cuts would have been insignificant. Because they chose not to make those required cuts, today we have to cut deeper.

The current Minister of Finance is now faced with tougher choices. He could have and should have made the rights ones. Short term pain for long term gain. Instead he took the more masochistic route of a little pain this year and even more pain in the following years.

The latest budget alludes to some of the changes that are coming but it does not have the courage to address the problems in detail, head on.

The city of White Rock in my constituency has one of the largest concentrations of seniors in the country. Almost one–third of the population is over 65 years of age. The budget tells Canadians the government will be releasing a paper later this year with changes required to the old age security and guaranteed income supplement programs to ensure their affordability. These changes are to take effect in 1997.

The budget documents make it clear that significant changes are coming. While it promises undiminished protection for all seniors who are less well off, it gives us no numbers. What does this government consider to be well off? Is it $15,000, $20,000 or $25,000?

The Minister of Finance criticized the Reform Party for our taxpayers' budget which stated we would reduce the money paid to seniors by $3 billion. The minister stated this would affect all seniors earning more than $11,000. When we include OAS, GIS and the Canada pension plan and the fact the government pays out $34 billion a year to seniors, $3 billion accounts for only 8.7 per cent of this total.

Is this Minister of Finance suggesting that 91 per cent of Canadian seniors earn less than $11,000? Maybe the $11,000

figure popped into the minister's head because that is the figure he is contemplating in the Liberals' plan.

We also note the government's plan to reform the provision of old age security benefits on the basis of family income. What a great idea. If the government had been listening it would have realized the Reform Party made that a part of its zero in three package over two years ago. Reformers recognized the unfairness of the existing system at that time. Unfortunately it has taken the Liberals two years to recognize a good idea. Now it will take them another two years to act on it.

At this rate by 1997 the Liberals will realize the value of our 1995 taxpayers' budget. However, we will not have to worry about their waiting another two years to act on it because by then Canadian voters will have unburdened them of the challenges of providing the country with fiscal leadership.

In defending the budget the Minister of Finance frequently commented on his belief of addressing matters with short term goals. This philosophy of short term goals also appears to include short sightedness.

There is no better example of this than the impending crisis with the Canada pension plan. We have heard the plan will be bankrupt within 20 years unless rates are doubled. The budget states that in 35 years rates will almost have to triple.

• (1015)

In order to deal with this impending crisis the budget says that the government should—actually the budget does not say anything. It appears this is too far in the future for the government to be concerned. Besides, why should cabinet members be concerned about the Canada pension plan when they have protected themselves with their own gold plated pension plan?

What does this impending crisis in the CPP mean to the average Canadian? For salaried employees who make approximately $35,000, this means their contributions will have to jump from $850 a year to almost $2,500 a year. Every employee will have $140 less each month to spend.

However, it is not just the employees who will suffer, but the small business person as well. A small business that employs 10 employees who each make about $35,000 a year will have to come up with an additional $16,000 a year in premiums. For a lot of small businesses I would suggest this is a significant portion of the profit margin.

The time to act on the problems with the Canada pension plan, old age security and guaranteed income supplement is now. Those people who are entering the job market today are the ones who will have to deal with the pension crisis in the year 2030. It is incumbent upon us to give them some idea of what they can expect for a pension and give them the opportunity to plan their lives accordingly.

We know the system has to change. We know there has to be more individual responsibility for looking after one's retirement. Let us be honest with Canadians today and develop guidelines for them to plan for themselves in an appropriate manner.

More important, let us show Canadians some leadership and get rid of gold plated MPs pensions. If this government has moved as far as it intends to move on MPs pensions, that is okay too. My colleagues and I are not too concerned about fighting the next election with the slogan: Liberals say the only way to get rid of the obscene MP pension plan is to vote Reform.

I have a word of caution for those MPs who think they have it made because after the next election they will be collecting their pensions. A Reform government would make any changes in the new MP pension plan retroactive.

As the baby boom generation approaches the pension years, it is absolutely necessary for us to get Canada's pension plans in order. Forget short term objectives. Think long range. As we continue to debate this budget we cannot think of today. We have to think of our children and their children who will be paying for our largesse.

It is extremely unfair for our generation to ask future generations to pay our bills. The bottom line is simple. If our social programs are worth preserving, then they are worth paying for. It is a disgrace that the largest expenditure in the federal budget is interest payments.

While the self–deluded government congratulates itself for a booming economy it is criminal that during a period of rapid growth the percentage of the budget that is consumed by interest payments will increase from 25 per cent to almost 33 per cent. This is the same error made by the previous Tory regime. In the boom years of the late 1980s it failed to bring the debt and deficit under control. When the business cycle took a downturn the deficit skyrocketed.

What is this government going to do when the economy hits the down cycle? The Liberal strategy of maintaining the status quo will lead to economic disaster. The government has taken a small step in the right direction. Unfortunately what was needed was an Olympic distance long jump.

I found it somewhat amusing when the Minister of Finance announced during his budget speech that he was bringing in the fourth largest deficit in Canadian history and his party gave him a standing ovation. What would number one have brought him, cartwheels in the aisles?

There is nothing to be proud of in this budget. Are the Liberals really proud of the fact that we now spend more money in

servicing the debt than we do in transfers to individuals for social programs? Do they really think this is a good thing?

What about our borrowing habits? Are the Liberals really happy that foreigners own over $300 billion of Canadian debt? Think about it. With this latest budget Canadians will be paying more money out of this country each and every year to our foreign creditors to pay our interest charges than we will spend on our old age security program. Is this something to be proud of?

• (1020)

The solution is simple. If people do not want budgets that are tailored for Bay Street or Wall Street, get rid of the deficit so we do not have to keep going back to them for more and more. Instead, this government is intent on going back and humbly asking for a little less each year.

In summation the Liberals say the polls show that Canadians are happy with the budget. However they should look closely at the results of the Angus Reid poll where 39 per cent of Canadians felt that the level of government spending cuts were right; 43 per cent believed that the government cuts did not go far enough; and 83 per cent of Canadians are expecting further cuts.

It is time for the government to be up front with Canadians. Make the cuts that have to be made, get our budget balanced and start making inroads into our obscene debt. Our children can expect nothing less.

The Deputy Speaker: My colleagues, before we have questions or comments an error was made. In fact it was the Liberals' turn to speak. With your permission we will finish the questions and comments on the speech of the member for Surrey—White Rock—South Langley and then we will go back to the side that should have had the floor.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, it was interesting yesterday in question period when I raised the question with the Minister of Human Resources Development whether he was actually floating a trial balloon with the idea of increasing taxes.

One of the difficulties we and I think all Canadians have is that we do not have any idea what the real intention of the government is. It keeps on talking about perhaps we should be taxed more or, as the Prime Minister says, perhaps the health act has to be completely changed, perhaps it has to be downgraded. The health minister says it will not happen and then the Prime Minister turns around the next day and says it might. It seems to be absolutely unclear as to what the intent of this government may be with respect to the health program and tax increases.

I have felt the frustrations from people in my constituency. I wonder if the hon. member has had the same feelings of frustration from her constituents over the fact that the government just does not seem to be coming clean with respect to tax increases.

Ms. Meredith: Mr. Speaker, we are being faced with our constituents who are trying to find out what there is in the future for them, what they can be planning for.

With the concern of health cuts and what not, the situation is that the provincial governments are having to reduce services because they are unable to go to the people with user fees and whatever to provide the same level of services. The concern is that the government promised that those services would be maintained yet in this budget the government is reducing its equalization or transfer payments to the provinces for those issues.

Constituents hear the government telling them one thing and see the government doing something completely different. There is concern and very much uncertainty out there.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, the hon. member for Surrey—White Rock—South Langley made an interesting comparison between the effect of the Reform taxpayers budget and the Liberal budget.

The hon. member said that the Reform budget has the motto short term pain for long term gain, whereas the Liberal budget takes the masochistic approach of short term pain followed by long term pain. It is a very interesting statement and I appreciate it very much. I know the hon. member explained it in her speech but perhaps she could explain it again so that perhaps the Liberals will understand why that is and why that comparison was made.

Ms. Meredith: I thank the hon. member for the opportunity to remind the government when it talks about making smaller cuts that what it is talking about is increasing the interest payments in the year 1997 to $50 billion. When the government is spending $50 billion on interest payments it means there will be less money to spend on social programming.

The only alternative the government has is to take the long term approach by taking short term pain by making the cuts now, making sure that interest payments do not escalate to the level they will be escalating.

• (1025)

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I will be speaking for 10 minutes and will be sharing my time. Thank you very much for recognizing my opportunity to speak.

I believe that the Minister of Finance has done a masterful job of calming and appeasing the the bond holders, the people who move capital around the world, Wall Street, all the currency speculators. He has done a masterful job because it was only—

Ms. Meredith: With sun glasses on.

Mr. Mills (Broadview—Greenwood): It was only about a week and a half ago when I was actually inspired by the Reform Party's budget.

I challenged the Reform members saying they did not put enough focus and attention on the human deficit. All they want to talk about in this Chamber is the federal deficit. They do not seem to communicate their concern enough, in my judgment, about the human deficit that is being inflicted not just upon our communities and our country but all countries of the world because of the monetary system that has evolved which many sovereign countries right now do not seem to have a handle on. We are one of them.

The day I spoke in the House on that issue I received a paper from Professor Morris Miller. His paper is entitled: "Where is Global Interdependence Taking Us? Why We Need a New Improved Bretton Woods". I will read directly from the paper:

> By early 1994 there was a perceptible rise in the level of concern with the focus placed on the business of derivatives that are estimated to be outstanding in the amount of about $16 trillion. The size and volatility has provoked a congressional committee hearing and prompted *The Economist* to devote the cover and lead editorial of the May 14–20, 1994 issue to the theme "Your financial future" and to ask what the fuss is all about. The reason given is that
>
> "the industry is new, global and already very big: the telephone number figures for the supposed value of outstanding derivatives, $16 billion–plus, make the eyes spin—.Lastly, there are fears that the derivatives fuel financial market uncertainty by multiplying the leverage, debt based buying power, of hedge funds and other speculators, an uncertainty that could, if things went wrong, threaten the whole of the world financial system".

I want to quote from an article which appeared in the Sunday, March 5 Toronto *Star* business classified. It is the cover story "Billion–dollar boys":

> The Royal Bank is Canada's biggest player in international currency trading, turning over $20 billion U.S. or more every working day. That translates into $325 million a year in revenues and a healthy chunk of the $150 million in profit the bank earns from its treasury operations.
>
> It is a 24–hour a day, 365–day a year floating crap game where the players never see each other, rarely talk to each other, yet can often tell by the buying patterns on their monitors which bank in which city is offering them the business.

I started off by saying that I believe the Minister of Finance has done a masterful job in calming and appeasing the bond holders. I say that because the reaction from all of these players has been extremely positive.

However, I share the view of many in this House and even members of the opposition who ask the question: What will we do 30 months from now when the interest bill on our national debt might be $50 billion to $60 billion? What will we do when we have sold off federal assets coast to coast? What will we do when we have privatized everything that is left to be privatized? What will we do when transfers to universities and hospitals have been cut back? How will we pay the bill?

• (1030)

I suggest to the opposition that what we should do is not unlike what world leaders did after the second world war when they organized the United Nations conference on monetary and trade reform called Bretton Woods. Professor Morris Miller talks about that in his paper. That is the challenge for all of us in this room.

The world monetary system is not working. It is broke. We are in a canoe going down the river and all of a sudden we are in the rapids. We all want to be responsible. We do not want to tip the canoe. That is why I think the Minister of Finance has done a masterful job in cooling out these croupiers, these international casino operators that move capital and control our currency. Exchange rates and interest rates are up and down with no public accountability. They are not just doing it to us, they are doing it to all sovereign states.

Who are the losers? A certain group in our community is getting a whole lot richer and another group is getting a whole lot poorer. We all know this. How are we going to challenge these casino operators? How are we going to get at them? Canada cannot do it alone. Canada must have the support, not just of the G–7 countries but of all countries, even the new countries since Bretton Woods, that got together and said: "Hey, we have a mess on our hands".

I see lots of things in the budget that are very tough for people who will lose their jobs. The Minister of Finance has stated that. What could he do? This is the best he could do with the situation that has evolved.

Mr. Abbott: Oh, really.

Mr. Mills (Broadview—Greenwood): Absolutely. One thing that the Minister of Finance stated in the budget that has not received a lot of attention is the responsibility the financial institutions in the country have toward small and medium sized business. He challenged the financial institutions to become more supportive, more compassionate and caring toward the small business community. We all agree that in that community rests the best hope for putting Canadians back to work.

In a couple of weeks we will begin meeting with the banks again and challenging them. I for one will be asking them: "How is it that you can operate private casinos, most of them in

my city of Toronto, pushing unaccountable billions and billions of dollars a day but we cannot seem to figure out a way to deal with small business". The Minister of Finance has issued that challenge.

I realize my time is up but I would appeal to all members to let us start directing our attention toward a new Bretton Woods.

• (1035)

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I listened with great interest to the comments made by the hon. member for Broadview—Greenwood, and I realize that they are not different from those made by other hon. members who debated the budgets tabled in the last 30 years: reassure investors; reassure the big banks; reassure everyone except the Canadian voters, taxpayers and workers.

We remember their red book slogan. Strangely enough, they do not quote the red book as they usually do. Every time we put a question to the people opposite, they reply that it was in the red book.

You will note that, since the budget was tabled, they tend to ignore the red book more often than not. Their rallying cry in 1993 was "jobs, jobs, jobs". In Quebec and across Canada the Prime Minister repeated one single slogan: "jobs, jobs, jobs". I saw him do just that in answer to a few questions during the leaders' debate. Whether the question had to do with turbot or ski slopes, his answer was always the same: "jobs, jobs, jobs".

What does the famous budget that was tabled recently have to say about "jobs, jobs, jobs"? Nothing at all. They reassured everyone. They reassured investors and foreign markets—that is very important. However, the 29 million Canadians needing to be reassured are never mentioned. Therefore, I wish to ask him what he is doing to create jobs?

[*English*]

Mr. Mills (Broadview—Greenwood): Mr. Speaker, I realize that I cannot flash the red book around because some people would consider it a display. I want to read from it. At page 109 it states:

> New multilateral regimes are needed to address many emerging global issues: the management of global fish stocks, the protection of the world's atmosphere, the maintenance of biodiversity, the control of population growth, the resettlement of refugees, and the equitable sharing of global wealth and resources. A Liberal government will foster the development of such multilateral forums and agreements, including an improved Law of the Sea, a new agreement on global warming, an improved international code of human rights, and a new agenda for development that matches the Secretary General's *Agenda for Peace*.

I would like to think that when the red book talks about an equitable sharing of global wealth and resources, that deals directly with my remarks today.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I was rather surprised, if not disappointed, that the hon. member again brought up the issue of the so–called human deficit, as though human deficit means that if governments are not prepared to make the cuts today they are somehow more compassionate than if they make the necessary cuts to be able to protect the ability to fund these programs.

I submit that the government with this budget has gone further to lose the ability to control our currency and we are becoming involved in the international currency casinos, as the hon. member has stated.

Pragmatist that he is, I wonder if he is being realistic in suggesting that Canada, as a bit player in the global world economy, can actually bring about the kind of restructuring he is talking about. Second, what is his position on the so–called Tobin tax, that is, trying to recapture some taxes in the actual exchange of currency around the world?

Mr. Mills (Broadview—Greenwood): Mr. Speaker, first of all, I want to deal with Canada's role on the world stage. I had the privilege of working for a prime minister who, the history of the world will show, was one of the great leaders on the world stage and helped move Canada forward on that stage with the respect of nearly everyone.

• (1040)

The popularity of, the current Prime Minister is even greater than my former boss'. His relationship with President Clinton is extraordinary. I am optimistic that if they get together with a few other leaders—the problems are the same for all—we can get the process started.

In response to the second point on the Tobin tax I say briefly that part of a new Bretton Woods would have to look seriously at the Tobin tax.

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, it has been two weeks now since the Minister of Finance presented his budget. I appreciate the opportunity to reflect on it and to share some of the views of my constituents after having two weeks to consider its implications.

The people of London—Middlesex have been very congratulatory toward the Minister of Finance. Despite the remarks of some members in the opposition they are very pleased the minister actually met the deficit targets he had set. There may be debate about those targets but he announced the targets and actually met them. He is the first minister to do so in years. This was very positively received by my constituents.

An hon. member: He has exceeded them.

Mr. O'Brien: He exceeded those targets. They see this not as the ultimate end but as a major step in the right direction, contrary to what we have witnessed over the past several years.

What the minister has done in the budget is put the Canadian family on a diet. We have gained an unhealthy, crushing weight which must be lost. We know that. It is the deficit and the debt. This weight was not gained suddenly. It was not gained overnight. No one party, no one group of our society is at fault here, despite the views of some that look for simplistic answers and are quick to point the finger. This crushing weight was gained as a nation and that is how it must be lost. It must be lost gradually. It will not be effectively lost in any sudden downsizing or slash and burn approach to the problem.

Similarly it is a sensible way for an individual to lose weight. Canadians are all too familiar with the problem, many of them being overweight, as I confess to be. It is the sensible approach to take in trying to deal with the serious economic problems we face.

In October 1993 two visions were put before the people of Canada about this serious problem. There was the gradual, determined downsizing approach of our party and the more dramatic, sudden effort to downsize put forward by the Reform Party. In a democratic way the people of Canada spoke on October 25, 1993. They made it very clear with the results by passing judgment on the previous government's efforts in this regard. They very clearly chose between the two options presented by the Liberal Party and the Reform Party.

It is clear to me as it is to most Canadians that this nation deliberately chose a sensible, gradual approach to downsizing and to eliminating the deficit and debt. Given the reception of the budget in the two weeks since it was presented, Canadians have once again endorsed this approach.

Acceptance of this budget is very high. National and international financial experts have lauded it as balanced, as fair, as a common sense way to deal with our problems. I am not necessarily enamoured of experts, frankly. The people I am most interested in hearing from are the people of Canada. Roughly 70 per cent of them—this has varied by a point here or there from day to day—have consistently said they are pleased with the budget brought in by the Minister of Finance.

There are those critics that feel the budget was too easy, too soft and not tough enough. It is interesting because in consulting very widely with my constituents I have not heard that from the poor in the country. I have not heard it from the unemployed. I have not heard from the disadvantaged that the budget was too easy or too soft. I would submit that it certainly was not too easy or too soft.

• (1045)

Then we have critics who suggest that the budget is much too fair and is draconian in what it is attempting to do. I do not hear that from people who are trying to find work and are looking to us to help create jobs.

The unemployed with whom I have spoken know full well that if the government is to help create the climate for jobs and help them find meaningful employment, it will be done by putting our financial house in order.

I was gratified to hear from some of the unemployed in my riding that they understand the minister had to make the tough choices he made and the road to their personal economic future is that the nation's finances must be put back in order.

We hear seven or eight provinces claiming to be the hardest hit. How seven or eight provinces are hardest hit by the budget is beyond me, but that is exactly what we have been hearing.

When I hear a cry from one side that it is much too tough and from the other side that it is not tough enough, I am inclined to say that many of my constituents believe the budget is well balanced. It is tough but fair and the minister got it about right.

They do not like all of the budget. I do not like each and every single thing in the budget. Certainly Canadians do not like the pain that is in the budget for them individually, be they farmers in western Canada or some of my farm constituents, be they business people—

Mr. Cannis: Nothing is perfect.

Mr. O'Brien: That is right. Nothing is perfect and no budget is perfect. However Canadians generally accept that the budget is tough and fair and that the cuts undertaken were necessary.

Let me come to my constructive criticism that I have had the opportunity to make personally to the Prime Minister. In certain cases we could be selectively tougher. That is the way I would put it.

I hope future budgets will be a little tougher on wealthy individuals and corporations. I applaud the move to be tougher with the banks, but perhaps we will have to go further. Quite frankly the signal I hear from the minister and from the government. There is a message in the budget for the banks, for wealthy individuals and for corporations that there are other budgets to come and if they are not going to do more to help the economy of the country get going tougher measures can be brought in. This is something I will be watching closely as a Canadian and as a member of Parliament on the government side of the House.

The specifics of the budget are well known, but let me recall for Canadians two or three of the most important points. The key interim deficit target, as I said, was met and exceeded as my colleagues have pointed out: 3 per cent GDP by 1996–97.

The debt to GDP ratio, the size of the debt relative to the economy, begins to decline in 1996–97. The cartoon many of us saw was very appropriate. It was of Canada moving along the road, suddenly hitting something called the Martin budget and making a significant turn in the road. The budget represents a significant turn in the road. We are now on the path to getting out of the deficit and debt spiral we have put ourselves in for too long as a country.

For every dollar in new tax revenues $7 in expenditure reductions were made. That is the kind of downsizing Canadians are looking for from government.

To those who say that the budget was too tough, I say reflect on the debt load of the country. We do not want to see a collapse of our social programs. The cuts that were undertaken are necessary to ensure the social programs put in place by past Liberal governments, with I acknowledge many ideas coming from the NDP, will be preserved.

• (1050)

To those who say the budget was not tough enough, I say consider the reduced spending, the downsizing of government and the hitting of our targets. Indeed it was a job well done. Seventy per cent of Canadians support the budget. That is the reality.

I know it is not politically popular in certain parts of the House to acknowledge that fact. I understand that, but the reality is that it has been a widely accepted budget. It is one that Canadians can look forward to seeing repeated in years to come by the minister and the government.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, I always enjoy hearing the hon. member for London—Middlesex talk about fairness in the country and in the budget. I remind him that during the election the government promised to keep article XI of the GATT negotiations. It had to break that promise. Fairness is fairness; it could not do much about it.

In the federal budget the government announced a three–year withdrawal of funding for genetic evaluation and milk recording programs because they were contrary to GATT. It seems to me the same week the U.S. government announced an additional $600 million of funding toward these programs. Is that fairness? Is that the type of protection the government is to give its dairy farmers?

I know we do not need subsidies, but surely to goodness there should be some fairness. Or, are government members trying to make sure they have a good supply of chocolate milk from the president? We could be running short of fairness and I am wondering how he would justify it.

Mr. O'Brien: Mr. Speaker, I appreciate the question from my colleague.

On article XI, 20 per cent of my constituents are agricultural people in rural settings. As the hon. member well knows, one of the first issues the government dealt with was article XI. My constituents and I submit that most Canadian farmers understand, as the member said, we could not do much about it. Canada stood alone and voted to maintain article XI. I do not know what else the government could have done than to stand alone, virtually totally alone in the world on something that important.

For my colleague's information, my riding of London—Middlesex in southwestern Ontario is one of the most active dairy farming parts of Canada. Before the budget the concern brought to me was that the government would somehow give into pressure and suddenly totally end dairy subsidies.

Frankly as late as last week some leading dairy farmers in my riding advised me that the 15 per cent cut followed by am additional 15 per cent cut was the kind of gradual, common sense reduction that would allow them to adjust. They were relieved that the government had the common sense not to suddenly end the subsidy because there were those calling for it.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, the hon. member said that he was proud of the government's budget, that he was proud it met the deficit target for the first year, and that the budget must be balanced slowly.

If the budget must be balanced slowly, how will the government explain to Canadians in two years when interest payments will have increased from $39 billion a year to $51 billion?

The member for Broadview—Greenwood asked the question a few minutes ago. What will we do when Canada faces federal government interest payments of $50 billion to $60 billion a year? His answer was that we would hold a world meeting like the one held after the second world war to deal with the problem.

• (1055)

Does the hon. member think the problem should be dealt with in a world meeting which may or may not happen? Or, should we face the reality of government overspending and deal with the problem in Canada by setting a definite target for deficit elimination, complete elimination, and meeting it, not just reducing the deficit?

Mr. O'Brien: Mr. Speaker, the question is whether we should concentrate on the problems here or have a world meeting, The answer is pretty easy and obvious. Of course we should do both. Canada does not stand alone in the world. No country, not even the greatest economic giants, can isolate itself from the global world situation.

Obviously we have to do both and the Minister of Finance has done just that. That is why the budget is being applauded both at home and by international experts throughout the world.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, I must inform you that I will be sharing my speaking time with my colleague from Manicouagan.

On Monday, February 27, the Minister of Finance tabled his 1995 budget before this House. Make no mistake about where I am coming from. I am, of course, in favour of streamlining public expenditures. I am also for a fair and efficient method of taxation by which the rich pay more and the less fortunate are protected.

How can this government keep hitting on the same group of people time after time, with each new budget measure, penalizing middle income taxpayers and digging into their pockets for millions and millions of dollars when it would be so easy to deal with the real problem and collect substantial amounts in a jiffy by making those who can afford it pay their share?

With its new budget, this government will cut $560 million in subsidies paid to railway companies with respect to grain transportation. At the same time, milk producers are seeing their subsidies cut without any compensation. It will be no news to anyone if I tell you that half of milk produced in Canada comes from Quebec. Yet, let it be known that our province is not as fortunate as Western provinces. No one told us about the rise in the price of milk, bread, butter and other dairy products that will result from this budget.

Who will foot the bill, if not the little people? Stop cutting essential public services and social assistance, which are so vital in these times we are going through. Why wait until 1999 to enforce the 21–year rule with respect to taxing capital gains on investments in family trusts? Why not start right now? Can you tell me why this four–year delay is necessary? Must I remind you that the Liberal government is thereby forfeiting hundreds of millions in revenue each year? Can we afford to do without such revenue at this time? Not likely.

And what about tax havens? There is nothing whatsoever in this budget concerning the 16 tax treaties Canada has signed with countries considered as tax havens. What are we to make of a $100 million temporary tax on the capital of banks, when the Royal Bank's net profit for 1994 was $1,169,000,000? The same year, it paid its president $2,740,000. I wonder at what rate that salary was taxed.

• (1100)

What is the result of that nice performance? The Royal Bank laid off 3,500 employees.

Let us recover the unpaid taxes and GST payments. According to the auditor general, thousands of companies owe several billion dollars in unpaid taxes on their profits. This is unacceptable.

Can the Minister of Finance put himself in the shoes of an ordinary person, who does not share his philosophy and certainly not his definition of philanthropy?

The speech made by the hon. member is laudable, honourable and perhaps justified, but can the same be said of his motives, or are those merely related to the referendum?

The money saved by making cuts to the UI program and transfer payments to the provinces is now used to finance part of the provinces' spending on welfare, post–secondary education and health.

I do not understand why these cuts do not apply to 1995; they are being postponed until 1996, 1997 and 1998.

Does the minister really think that no one will notice? I am convinced that, faced with the same situation, the federal government would have noticed.

On February 26, it was reported in the media that Quebec was deprived of $650 million in the national defence sector. What better way to correct that injustice than to eliminate 285 direct jobs at the Bagotville military base? The same could be said about the Saint–Hubert base. Yes, 285 jobs and, in the process, an elementary school with 10 classrooms. The fact is that over 1,000 people will be affected by these cuts. Once again, a decision was made without those affected being consulted. Entire families will be uprooted from their community. Following these cuts, how many small businesses from my region will have to lay off people or even shut down? The local population just does not accept that decision. It would be more appropriate to refer to my region as the queen of unemployment rather than the kingdom of Saguenay.

That decision will result in the loss of several million dollars for the region. While the province of Quebec is starting to recover from a hard recession, our region of Saguenay—Lac–Saint–Jean is sinking deeper and deeper into an inescapable economic slump. Our young people are leaving in droves.

Just take a look at the most recent data released by Statistics Canada. Last month, our unemployment rate jumped by one per cent, while it went down by one per cent just about everywhere else in the country.

The ICI organization in my region summed it up well when it stated that, and I quote: "Our region is a group of distinct communities which, as everyone knows, contribute a lot, in their own way, to the social, cultural, economic and political enrichment of Quebec and Canada".

What better way to thank that region and its residents for their support than to cut over 285 jobs in the military sector?

In addition to holding many surprises for the years following the referendum, the 1995 budget does not deal with the real issue. It does not deal with unemployment.

The Liberal government refuses to use the surplus in the UI fund to implement concrete job–creating initiatives. The government wants to reduce the deficit, but it does not resort to concrete measures and prefers to transfer the problem to the provinces.

• (1105)

I realize once again that, with its budget, the Liberal government is showing all Quebecers that the federal system does not work and that it would be much wiser on our part to get rid of it.

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, I have a very simple question for the hon. member for Chicoutimi. He referred at length to the budget and to the connection he sees with the forthcoming referendum in Quebec.

Since he brought this up, I wonder whether the hon. member for Chicoutimi is in favour, as his leader seems to be, of changing the question for the referendum. The issue is relevant to this debate on the Budget, since he mentioned it himself. Furthermore, it creates a climate of uncertainty, as Premier Parizeau clearly admitted in his various speeches and statements on Parti Quebecois policy.

Considering the impact of this issue on the economy of the country and on the budgetary process, I would like to know whether the hon. member for Chicoutimi personally favours changing the question, or whether he would agree that this is a lot of window dressing, in other words, an attempt to manipulate the electorate. The option has not changed. It is still the same. The option is independence or federalism, and as far as I know that has not changed; but as far as change in the referendum question is concerned, we can expect, or at least we have the impression that there is some trickery afoot. I would be interested to hear the hon. member's position on this matter.

Mr. Fillion: Mr. Speaker, first of all, I am not so sure the question as such has a direct connection with the budget. However, I will respond to the issue raised by the hon. member for Sherbrooke and tell him that, for the time being, everything is on the table.

If the hon. member for Sherbrooke had any suggestions for the Government of Quebec as to the form and substance of the question to be asked in the referendum, he could have participated in a democratic exercise in which the National Assembly of Quebec gave all residents a chance to be heard. He failed to participate in this exercise which would have given him a chance to explain his position before the public.

I could also mention the outcome of the election in Brome—Missisquoi. I think voters made it quite clear to the hon. member for Sherbrooke that what he represented was not what they wanted. His party came in fourth or fifth.

My position is that, with our natural resources, with our culture and with everything we have developed in Quebec in recent years, the people are ready for this question, and they are ready to say yes.

[*English*]

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, sometimes I wonder how much longer we will have to endure this same tiresome line from the Bloc, constantly referring everything that happens in this House to the specifics of how it will affect Quebec. Never mind the country, just Quebec. Frankly, it drives me nuts.

He mentioned the milk subsidies and the 30 per cent cut over two years. He said the west received a much better deal because it received restitution for the cut of the Crow benefit. I wonder if he realizes or if he chooses to ignore that the cut to the Crow benefit was 100 per cent and immediate. He is talking about a 30 per cent cut over two years.

He also states quite correctly that 50 per cent of fluid milk production comes from Quebec. I wonder what he thinks will happen to all that subsidized milk production if he gets his dream of independence and the Canadian market is cut off, as it naturally would be—

The Deputy Speaker: I think the question is clear.

• (1110)

[*Translation*]

Mr. Fillion: Mr. Speaker, first, I must say that Quebec has been trying for over 100 years. Quebecers delegated members of Parliament to this House to defend their ideas.

We realized, at the end of debates, that our very simple questions were getting very little response. Whether it is agriculture, rail transportation or natural resource development, Quebec has always had to fight harder to achieve its goals. Today, with what we are offering Quebecers—and rest assured that we will be able to sell our dairy products, regardless, because they are quality products—

The Deputy Chairman: Order, please. Debate resumes with the hon. member for Manicouagan.

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, we were promised a tough budget focused on renewal. Tough, it was for sure. But it was tough for the disadvantaged, once again, with social programs being blithely cut directly and indirectly. As for the renewal part of it, it did not quite make it. There was

no provision for job creation. Let us look at a few examples to justify my remarks.

I represent the riding of Manicouagan. In this riding, social programs take on considerable importance because the rate of unemployment is higher than the national average and also because the distances between villages is a serious impediment to the region's economic development.

When I say the rate of unemployment is high, it is true. And when the minister once again with a vengeance went after the most disadvantaged, that is the unemployed, well, the people in our area were affected on February 27 by the tabling of this budget. Already, in a region like ours, where, east of Natashquan, 85 per cent of the population depends on fishing, the people had to work 12 weeks in 1994 instead of the previous 10, in order to qualify for unemployment insurance.

In my riding, and more particularly east of Natashquan, managing to have six weeks' work was quite an achievement, given that the department of fisheries, on the other hand, was cutting quotas in order to preserve stocks. I do not question the merits of this, but people were losing weeks of work on the sea so stocks could be preserved. When you try to relate these two, that is, preservation of stocks and therefore fewer weeks of fishing, on the one hand, and the need for more weeks of work to be eligible for unemployment insurance, on the other, things do not add up once again.

In his February 27 budget, the Minister of Finance found another way to go after the people of Manicouagan. Just like that, he said that he was going to cut their unemployment insurance cheques by 10 per cent. In a way, he makes no distinction between people who live in Manicouagan, Saint–Hubert, Laurier—Sainte–Marie or Charlevoix.

In addition, my region is affected by the $300 million cuts to the Canada Mortgage and Housing Corporation. The unemployment rate is very high, as I said, and, consequently, many people live in housing managed by the CMHC. For unemployed people, and for those who have gone a step further and receive social assistance, finding low–rental housing is of capital importance. With one stroke of the pen, the minister added another hardship to the lives of the needy who, like you and me, will always be in need of lodging.

• (1115)

There are vital needs that the government must not play with if it wants to maintain the standard of living, such as food and lodging. In one speech, the Minister of Finance went after both simultaneously.

By skimming 10 per cent from unemployment insurance cheques, he took away quality and a good part of the food. By cutting the CMHC's funding by $300 million, he deprived many households, many families, often single–parent families, might I add, according to the statistics, of decent housing. Therefore, how much respect can the government really have for the population if it is not even committed to keeping just the basic elements that make up society's standard of living? If that is not taking it out on the needy, I do not know what is.

People in my riding will also be affected by changes to the health care and education system, but naturally, in an indirect way. Indirect because the minister calls these indirect cuts "decentralization". Allow me to explain. The minister anticipates that transfer payments to the provinces will be cut by $7 billion. Now, we all know that the provinces use that money to provide health care and education to their population. Yes, there is duplication, because the provinces are already administering these programs. But it is not decentralization, it is dumping the deficit in the provinces' backyards.

They are offloading the deficit because the provinces will get $7 billion less but will still be expected to provide the same services. However, the federal government is careful not to withdraw completely from health care and education for the simple reason that it wants to standardize these areas and raise standards so that it will be a little more costly for the provinces to operate in these fields.

They cut their financial support every year but still manage to give just enough to impose standards that end up costing a lot of money. They cut financial support without giving the provinces any additional decision–making powers. The minister calls this "decentralization", but in truth it amounts to offloading their deficit onto the provinces.

When people get sick in my riding on the North Shore, where the roads are inadequate, they must be transported by plane. We must give financial help to some doctors so that they can travel to remote areas like the North Shore. One does not choose to get sick in Kuujjuaq or Natashquan any more than in downtown Toronto.

There is also the gasoline tax. Again, the Minister of Finance did not discriminate, but that is not necessarily a good thing. Let us not forget that unemployed people looking for jobs hope that any dollar they put in their gas tanks will yield results. This measure will affect them indirectly once again. The budget does not say anything about job creation. The Liberal government got elected on its red book promises by shouting from the rooftops that they would create jobs.

In the first year of his mandate, the Minister of Finance and all the other Liberal members proclaimed to all and sundry that they would address the deficit by creating jobs. Yet, the February 27 budget showed us the true face of the Liberal Party, which does not do anything to create jobs. Instead, they went after the most needy while protecting their friends and being careful to keep up appearances and look good, which is important to the Liberal Party, of course. When I say that they are protecting their friends, I am referring among other things to family trusts.

However, I will not elaborate on this, because I do not have enough time.

This budget is a skilful political juggling act but in fact, there is nothing in it which really addresses the real social problems by creating jobs.

• (1120)

[*English*]

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, the hon. member talked about the cuts in transfers to provinces under the Liberal budget. He talked about them as being downloading, which they are.

In the Reform taxpayers' budget, the alternative budget Reform presented, we also had reductions in transfers to provinces. We transferred the tax points along with the reductions. We transferred the ability of the provinces to raise the revenue to compensate for this reduction in transfers to provinces.

Let us use the analogy of a chicken and an egg. The government now transfers eggs to provinces so they can pay for some of their programs, done through transfer payments. Instead of transferring individual eggs to the provinces, the Liberals transferred a carton of eggs except they removed two. Therefore they transferred 10 eggs instead of the dozen. They cut the transfers.

There are also strings attached because of the regulations under the Canada Health Act. Instead of transferring the carton with fewer eggs Reform transferred the whole chicken. That is the program. We transferred the revenue producing ability to the provinces. Instead of transferring individual eggs and keeping the chicken as the Liberals have done in their program, Reform transferred the whole chicken so that revenue is in the hands of the provinces. They can fund these programs.

This would be popular in Quebec. Quebecers want more control of their future. Quebec generally is in favour of decentralization to the provinces.

I would like the hon. member to respond to what the Liberals have done in cutting transfers and not cutting the revenue producing ability as compared to what Reform proposed in the taxpayers' budget of cutting transfers to provinces but giving provinces the power to collect that revenue instead of the federal government and therefore giving provinces much more control over their own programs and their own resources.

[*Translation*]

Mr. St–Laurent: You know, Mr. Speaker, each minute the House sits is very important and certainly costs taxpayers a lot of money. I have great respect for the Reform Party's hypothetical budget, but if we start hypothesizing about hypothetical budgets in the House of Commons, we better change its name to House of Utopia.

I think our taxpayers deserve more respect than that. I have respect for the Reform Party and its budget, but unfortunately—or perhaps fortunately; Canada will decide after the referendum—this party is not in power. Let us look at more factual matters, matters before us today and that we have to deal with. Much as I respect Reform Party members, the fact remains that their Party's budget is nothing more than a piece of paper for the time being.

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, one of my most rewarding duties as a member of Parliament is to visit schools in my riding and meet with students.

Three weeks ago I participated in such a visit. As usual I found the questions asked by the students quite interesting, the Quebec referendum, unemployment insurance and the environment.

I was struck by a very distressing thought. Each of these students has a huge debt hanging over their head. Because of the size of our national debt, those young students are starting out life with a $19,000 mortgage. Unlike past generations that could build their hopes and dreams on the solid granite of public finances, these young people are building their dreams on quicksand.

• (1125)

I cannot accept that. I entered politics to give a voice to young Canadians too often forgotten by past governments. It is fundamentally unfair to expect young Canadians to pay a debt incurred by past generations. It is particularly irresponsible for Canadians who have lived beyond their means for so many years.

That is why I am so proud to be a member of this government. This is a moment of great importance in our history. For the first time in many years Canada has a government and a finance minister ready to do what must be done in order to control the deficit.

The minister's budget speech was nothing less than a call to arms to all Canadians. We must band together to defeat the deficit and the debt. Steadily, silently these two economic forces are robbing our government of the strength and sapping it of the vitality it needs to foster growth, care for the needy and invest in the future.

For too long governments have postponed tough decisions. For too long governments have been pretending everything was fine while borrowing another $30 billion and $40 billion from our children. Now we have finally turned the corner.

A nation that has been sleep walking toward the precipice of bankruptcy has awakened with one foot on the edge of the cliff. Our government has the will to do what is necessary. As important, it has the support of the Canadian people.

Canadians are willing to support this government because they have seen the positive results of our financial stewardship. In the first year of our mandate 433,000 new jobs were created, all of them full time. Canada's economy grew at about 4.5 per cent, the fastest of the G–7. Manufacturing output is up over 9 per cent and inflation is at its lowest rate in 30 years.

At the local level the results are as encouraging. In Toronto unemployment dropped from 12 per cent to 9 per cent between January 1994 and January 1995. In my area of York region unemployment insurance claims have dropped from 70,491 to 13,773 in the same period.

When I speak to people in my riding I sense a renewed sense of hope, a sense of confidence. Business people are investing again, Canadians are working again.

Canadians know that our recovery will be threatened unless we get our financial house in order. They realize everyone must make sacrifices. Canadians must all share the burden of debt reduction.

Our government will reduce spending but it will also rationalize its operations, targeting spending to where it can do the most good. For every $1 of new tax revenue there will be $7 worth of cuts in expenditure.

Above and beyond deficit targets, this budget is about reinventing government. It clarifies the role of government within a new socioeconomic order in which the old rules do not apply.

To improve Canada's social safety net our government will introduce a number of innovative measures. It will establish the Canada social transfer. The CST will replaced established programs financing and the Canada assistance plan. It will cut unnecessary red tape, ensuring that the provinces will have maximum flexibility to design the programs that meet their needs.

• (1130)

The budget also calls for the creation of a human resources investment fund. The fund would involve a broad approach to employability issues. The functioning of the Canadian labour market would be in congruence with UI reform and the consolidated transfer.

The human resources investment fund could encompass support for a wide range of employment development services including assessment, counselling, training, work experience, self–employment and community development; the development of occupational standards; national labour market information; sectoral councils; child care for working parents; a national workplace strategy; programs and services responsive to the needs of aboriginal Canadians; assistance for persons with disabilities; and assistance for students and adult learners.

The restructuring and redesigning of programs could be based on principles established by the social security reform and linked to increased flexibility in the use of the UI fund. These principles include tailored programs to individual client needs, delivery involving community partners and the private sector, the use of modern technologies, national standards and priorities.

The government intends to reform the UI system to bring it into line with the new economic realities facing the nation. A greater emphasis will be placed on helping Canadians acquire skills and find work. We will move away from traditional UI and focus on investing in people. We will replace despair, dependency and defeatism with ambition, autonomy and advancement.

The government has signalled its intention to protect senior citizens. At present old age security and the guaranteed income supplement cost Canadians over $20 billion a year. It is estimated the cost will increase by 60 per cent over the next 15 years as the population ages. Clearly Canadians would want us to do something about it.

The 1995 budget sets out the principles that will govern the reform of OAS and GIS: undiminished protection for less well off seniors, continuation of full indexation of benefits, OAS benefits to be provided with reference to family income levels, greater progressivity of benefits by income level and control of program costs. This will be a very important step toward achieving intergenerational equity.

These are all positive developments in the evolution of the nation. The budget holds the promise of a better tomorrow. It says to Canadians that the sacrifices we make today are for a greater good. Sound public finances are the bedrock of a prosperous future. Freedom from debt is the greatest legacy we can leave our children.

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, let me first congratulate the parliamentary secretary on his last phrase. He said that freedom from debt was the greatest legacy we could leave our children, if I understood correctly. I only wish he had said that in the years he was sitting on this side of the House. However that is another story.

I want to put a question to the parliamentary secretary who I know is very much in the loop in terms of what is happening within government. I asked him a question about 10 days ago in the House relative to pension reform that he talked about in his speech. He evoked principles relative to pension reform. I am very interested in the issue. It is one that needs to be tackled head on. I agree this is something that requires the immediate attention of the country if we are to resolve some of the difficult issues.

• (1135)

I am assuming the government is not improvising pension reform, something so important that the parliamentary secretary chose to speak to it. For example, he mentioned a 60 per cent increase in expenditures over 15 years. That is not a number he

invented or drew out of a hat. It must have come from somewhere.

Given the importance of the issue to all Canadians and the consequences evoked—and I believe there is a bit of a hidden agenda in the budget—I have a very direct and simple question for the parliamentary secretary. In fairness to Canadians is the government willing to have all Canadians participate in the debate so we will all know what the choices are?

I guess whether he answers will be an indication of whether there is a hidden agenda. Will the government agree to table in the House of Commons for all of us to see, read and reflect upon the studies the government has undertaken with regard to pension reform?

Mr. Bevilacqua: Mr. Speaker, I agree with the hon. member that it is a very important issue. A lot is at stake in the issue of social security reform.

Unlike past governments that ran away from the challenge of discussing major issues such as training, unemployment insurance, child care, and reforming and modernizing the system, we decided to engage Canadians in the dialogue and to consult with Canadians.

The hon. member can rest assured the government will consult Canadians on any measure we take related to the issue of pension reform. It will consult all members of the House in the same manner and fashion as we engaged in prebudget consultations, social security review and many other issues ranging from defence to external affairs. The government has created many opportunities for Canadians to participate in dialogue with the Government of Canada.

With reference to the specific question on pension reform, the hon. member has clearly read the budget documents. He has read the five principles outlined. From the day the Minister of Finance tabled the document until today nothing has changed on the government's agenda.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, I enjoyed the parliamentary secretary's kind words, but there is a saying on the farm that kind words and good intentions do not feed too many animals.

I am just wondering how he can say that the government is after financial stewardship. At the research station at Morden, one of the most successful research stations in Canada, 40 per cent of the jobs were cut. It took away the buckwheat program and the potato program. It moved them up north where they could all freeze. Is that good financial planning?

I see their pension funds have not been cut too drastically. However, does he know of a program called the Canadian polar commission? The polar commission takes $1,081,000 from the government. It employs six people and half the money goes to salaries. The commission spends on the dissemination of information. The amount of transfers to people looking into this matter is $20,000.

Is it financial responsibility to spend $20,000 out of $1,081,000 on the actual work and the rest on salaries? I would like to see some improvements there.

Mr. Bevilacqua: Mr. Speaker, at the expense of sounding immodest, we have to look at the record. When we look at job creation under the government we see 433,000 new jobs. We also see a government that is looking at a number of issues including program reviews. It is looking at the programs that are working and the ones that are not. It is creating a climate for new jobs.

• (1140)

If the hon. member had listened to the speech of the Minister of Finance speech, he would have found that we are hitting all the targets we have set. We are moving toward achieving the results that Canadians wanted during the election campaign.

The red book is being honoured and Canadians seem to be extremely happy with the performance of the present government. Perhaps the hon. member should join in the applause.

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, I am anxious to participate in the debate on the 1995 budget because I believe it represents an historic occasion in our country's evolution.

It is not the kind of budget I would normally want for Canada. I would rather enhance programs than reduce them. I would rather be involved in introducing new programs than analysing the effectiveness of existing ones. As Liberals I am sure most of us agree that the budget was born of necessity, not ideology.

Our social programs are threatened by our cumulative debt and our annual deficit. I am not one of those obsessed by debt. My banker can attest to that. However, I am very protective of our sovereignty as a nation and our ability to design and implement public policy and programs that reflect Canada's values as a generous and civilized nation.

Because we borrowed to finance our programs we have allowed foreign lenders to affect domestic policy in a manner that simply is unacceptable. We must reclaim our ability to pursue a style of governance that reflects Canadian values: compassion, equity, tolerance and pluralism. These are Canadian values. Many elements of the Canadian way of life may be uniquely Canadian. Our responsibility is not only to these ideals as they affect us as a nation. Our responsibility is to these ideals as a world leader, as a country that others turn to.

Another threat our social programs face is much more practical. In 1995–96 debt charges will consume $49.5 billion of our annual spending. Over the last 15 years interest payments have grown from $8.5 billion to $42 billion and have devoured over $445 billion of taxpayers' money, dollars I would much prefer to

see placed in the hands of Canadians in need, dollars better spent on social housing or literacy instruction, dollars we need to eradicate child poverty, and dollars we need to meet our international obligations as a nation of great wealth and advantage. The thought of how much better we might use these dollars causes me to accept the need to reduce the deficit.

The unproductive nature of interest expenditure is partially responsible for the resistance of Canadians to broad tax increases. Our citizens pay more but see less in return as we finance past expenditure.

Even as I speak in favour of deficit reduction, I call on our government to exercise compassion and creativity as it implements the budget over the next 12 months. All Canadians must share in the mission of reclaiming our fiscal and monetary autonomy. In return, government has the responsibility to be fair, creative, thoughtful and forthright.

The approach I endorse contrasts dramatically with that outlined by the Reform Party in its recent attempt at a budget proposal. While the Reform Party's position does not surprise me, I do find shocking that my colleague from Saint John would support it. Does the fact that she supports the view we have not eliminated the deficit quickly and decisively enough also mean that she supports the approach as outlined? The Reform agenda would destroy the fragile but real recovery we are experiencing in New Brunswick. It is sad its prescribed medicine would only push us back into the sick bed of dependency it speaks of so often.

The government is committed to a balanced but disciplined approach to deficit reduction. Canadians have been asked to help and I believe there exists an acceptance of the need to bring revenue and expenditure closer together.

• (1145)

The Minister of Finance is committed to seeing social tax expenditures scrutinized with the same vigour as has been applied to other social spending. He has acknowledged the need for more comprehensive tax reforms.

The government has spoken of Canada's commitment internationally on the need to come to terms with currency speculation and sharing more fairly the benefits of new technologies.

Not only does the government need to balance spending reduction with tax fairness, it is also necessary to be prepared to do things differently, to be more creative, to consider solutions quite outside conventional thinking in the application of the budget.

Significant change does not come easily in large bureaucracies. Through no one's fault inertia is a powerful force and change, particularly dramatic change is seldom seen. Canadians from all walks of life have been asked to change their thinking, to expect less and contribute more.

I believe we will meet that challenge but in return, government must be prepared to change its thinking, to listen seriously and consider outside, sometimes unconventional, solutions.

As a member of the parliamentary committee on human resources development, I can attest to the fact that many Canadians believe for example that the federal government should show leadership in eliminating overtime and considering a shorter work week. This would soften the effect of expenditure reduction on our employees while setting an example for other governments and the private sector with the view of sharing better the jobs that currently exist in this country.

A second area where government must show leadership is in our approach to economic development. We must carve out clearly in a mixed economy the role of government and apply available resources and regulatory power toward that end. We must be prepared to use our legitimate power to make the market work for as many Canadians as possible, whether it is increasing the availability of capital to small and medium sized businesses, direct financial support for community development, pushing more forcefully the need for private sector retraining and upgrading, or taking a more vocal stand internationally on questions of employment standards or tax fairness.

If the government can no longer afford to offer as much protection to those for whom the market does not work, it must accept a larger role in ensuring that the market works for more Canadians.

I said at the start that I was anxious to participate in this debate because it marks the beginning of a new era for Canada. Some Canadians have said we are getting meaner. Others, unhappily, say we have not been mean enough. I am an optimist. I believe we can find that place where we gradually disentangle ourselves from the vulnerable relationship we have with the money markets but where we also recognize the vulnerable relationship many Canadians have with us.

Yes, we can find that balance but ultimately it is not in the numbers. The balance we seek and must find lies in the hearts and minds of Canadians, in our compassion, our creativity, our generosity and ingenuity.

As a member of the committee that travelled Canada for the social security review, I can assure the House that Canadians have ideas, ideas born of a desire to eradicate poverty, to teach people to read and offer shelter and jobs. They want us to listen,

to work with them, to be more inclusive both in our policy development process and in the results we hope to achieve.

Over the coming months the government will be engaged in discussions with the provinces among others on the question of the social transfers. Much of what Canada will look like in the future will be affected by these discussions. They must be driven by a vision for the kind of Canada we want and can afford for our children.

To engage in the exercise without considering affordability would be irresponsible and frankly silly. However, to engage in the exercise without a national vision would be equally irresponsible. What is more, it would be an abdication of our responsibility to those whose vision and determination have brought us to where we are: the country recognized objectively as the best place in the world in which to live.

What is better than that? We have to stop beating ourselves up. We have to stop beating each other up. All this talk of crisis and catastrophe should not cause us to lose sight of the comparative credibility and objectivity between the United Nations and some analyst with the *Wall Street Journal.*

• (1150)

We have a debt and deficit problem. We will fix it. We are a wealthy, safe, generous nation with a magnificent future. For those who think otherwise I can only turn to the vocabulary of my 10–year old son and say get with the program.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, the Liberals constantly talk about the whole issue of cutting slowly.

I wonder if the member has had a mortgage on his home. I will assume that he has, along with probably 90 per cent of Canadians. Let us say it is a $50,000 mortgage and he is paying $500 a month. He probably knows that when he first starts paying on the mortgage very little goes toward the principal. Most of his $500 payment is going toward the interest. I also wonder whether the hon. member has had the opportunity perhaps through an inheritance or hard work on his part to put $10,000 toward the mortgage and seeing that instead of the money going toward interest that suddenly he is paying more on principal.

In other words, going slowly on deficit reduction simply does not work. To get the deficit to a point where it is not continuing to add to the burden of the debt there must be prompt, aggressive action so that we will not be doing away with our ability to fund the social programs, so that we will be able to reverse the situation that is forecast and planned for by his government of increasing interest payments from $38 billion to just under $51 billion. That $13 billion is eating up the ability to fund social programs.

Surely there must be some Liberal in this House who has had the experience of making an abrupt payment down on the principal of a mortgage. Can the hon. member not see that that principal might not apply to Canadian finances, therein being able to correctly and properly protect social program funding.

Mr. Scott (Fredericton—York—Sunbury): Mr. Speaker, I thank the hon. member for Kootenay East for his question.

I am painfully familiar with mortgages. I was not kidding when I said my banker knows I am not obsessed with debt. Having said that, I do not think that in the interests of making a payment on the principal of my mortgage that I would be prepared to feed my family any less or take away from the college trust fund or my life insurance.

The reality is we have to engage in this exercise in a very practical, common sense way. Perhaps it is a regional problem, I am not sure but over and over again we hear particularly from our Reform Party colleagues that we are not moving quickly enough. I can only say as an Atlantic Canadian that to move any quicker would place us exactly in the position we are trying to escape from in terms of generating economic activity in our region. We benefit from social programs. We benefit from transfers.

To respond to earlier analogies with regard to chickens, the fundamental problem with the argument that if we give every province the chickens is that not all chickens are the same size. Consequently, part of what this nation is about is sharing the coop so to speak.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, the hon. member has referred to this government taking control of Canada's finances again and the importance of that happening. I applaud him for recognizing that.

When we look at the Liberal budget and examine where the biggest change in transfer payments has taken place, has there been an increase in transfers to provinces? No. There has been a reduction of at least $4.5 billion in transfers to provinces. Has there been an increase in transfers to individuals? No. In fact the biggest threat of this Liberal budget is in transfers to individuals through social programs. These programs are not sustainable because there has been no definite target for elimination of the deficit.

• (1155)

The largest change in transfers of government money in this budget is in fact in transfers of money to bankers. When this member talks about Canada regaining control of finances, how can that possibly be happening when this budget in fact involves an increase in transfers of $12 billion to bankers, some of which are foreign bankers. More and more are foreign bankers.

I would like the hon. member, who happens to be on the social programs committee, to explain to me how this budget fits in with his stated goal of Canada taking control of its finances. Being on the social programs committee, can this member explain how social programs will be funded down the road when $12 billion more will be spent on interest payments within two years, and then ever increasingly more beyond the two years?

Mr. Scott (Fredericton—York—Sunbury): Mr. Speaker, it is merely a question of balance. It would be ridiculous to annihilate social programs in the interests of saving them. Consequently, we have to find the place in the system where we strike the balance that allows the programs to be affordable.

I have great faith in the wisdom of Canadians. They were presented with the option put forward in this budget of a target of 3 per cent at the end of the third year and were also presented with the option put forward by the Reform Party. They picked our solution. I have some faith in the good judgment of not just the Minister of Finance and my colleagues in the government, but also the good judgment of Canadians who chose a balanced approach.

Mr. Abbott: Mr. Speaker, a point of order. I believe that every member should be permitted to speak in this house, particularly on issues like this debate.

However, I note that in the last House our party had one independent member, the hon. member for Beaver River. When she was in the House the Conservatives consistently dealt her out of being able to enter into debates.

I wonder if the Chair might be able to explain to the House under what rules the next member is permitted to speak, considering that he, as a member of the previous government, did everything he could to stop our member from being able to speak.

The Deputy Speaker: The member for Kootenay East raises an important point. There are about 300 members in the House. On a mathematical basis, the unrecognized party members are entitled to speak about one every 25th slot. We are at that point now, approximately. I take the point of the hon. member for Kootenay East because I sat in the corner back there, too. I know exactly what the member is talking about.

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, I will not pursue the point of order except to say that maybe the hon. member for the Reform Party should let go at one point in time. When does he think kicking someone around should stop, if that is the case? Or does he feel that we have abused our privileges in this place? Anyhow, we probably witnessed a new definition of what meanness is in this place, but for many reasons, I am a lot more interested today in addressing the issues relative to this budget.

This budget has the advantage of putting things into focus and perspective in regard to a few elements that are important to Canadians. First is where the Liberals really stand on these issues and what their real agenda is or is not. It puts into perspective the previous accomplishments of other governments and what their records mean and what do they not mean. It also brings into perspective the real issues we have to address.

I wish to begin by being as frank and straightforward as possible. There are things in this budget we agree with. There are things in this budget that we think are positive for the country. We intend to support those proposals that are positive and constructive.

I do not think it is very useful for us to enter into any phoney indignation on budget night in terms of what the budget is all about. It is not useful to stray around with inflated vocabulary that only rings false in the ears of the Canadian public when they try to look at this budget.

• (1200)

Frankly, in trying to assess how the government needs to deal with this issue, anything I have heard is that Canadians want government to succeed. Canadians want the government to do well in dealing with the budgetary and fiscal problems facing the country. They do not want to see the government face another crisis. On the contrary, they hope that it will make the right decisions. It is very much in that spirit that I would like to offer my thoughts and comments today.

The most interesting part—I happen to be one of the few members in this place who has a view on this because I happened to be in the other Houses—is that this budget also brings into perspective the policies and positions of the Liberal Party of Canada. That has to be one of the first assessments that we need to make about the budget.

To be brutally frank, it needs to be said that the budget is a denial of the principles espoused by the Liberal Party during its nine years in opposition, a repudiation of the policy it placed before the Canadian electorate 16 months ago, an abandonment of those people whose defenders the Liberal Party pretended to be.

For nine years Liberals purported to defend old age pensioners against any reductions in benefits, to fight for the jobless against changes in unemployment insurance, to maintain the annual increases in parliamentary grants to VIA Rail, to the CBC and to all the cultural agencies. They called for the expansion of day care.

The parliamentary secretary this morning even had the temerity to raise day care when if one reads page 40 of the red book as Canadians have, one will find there is a clear commitment to increase day care spaces by 50,000 a year the moment the economy goes beyond 3 per cent.

Is there anything about that in the budget now? That was the Liberal position. They vowed to stand shoulder to shoulder with single mothers, with poor families, with refugees and immigrants, with the regionally disadvantaged, with the sick, with

needy children here at home or abroad, all of whom were to be given more, not less, financial support by a Liberal government.

Maybe I am naive but I am still young enough to be disheartened by the treachery and old enough to know that in time the Liberal Party will pay for this. It is said often enough but it bears repeating because it is true: Liberal policies in opposition were unrealistic. Their promises were irresponsible, their opposition to budgetary restraints of any kind in any circumstance at any time over nine years were not principled, but dishonest, totally political and wilfully ignorant of the national interest.

Everywhere they sought to obstruct—I was in that House for nine years—systematically and without question any cuts or reductions in expenditures. In fact when the government was elected in 1984, previous expenditures were growing at a rate of about 13.4 per cent a year. Program expenditures under the previous Liberal government were brought down to under 4 per cent a year. Did Liberals support that? No, not once that I remember.

What now? Do we congratulate them on having seen the light? Is their policy any more principled than the old policy? Is it any more credible? Is it any more reliable? That is the real question.

Liberals bitterly fought the Canada–U.S. free trade agreement. I remember that well. Under the present Prime Minister's leadership, they opposed NAFTA, the North American free trade agreement, in Parliament and promised on the hustings they would not ratify it unless specific amendments were agreed to.

They opposed the previous government's energy policies. They obstructed the changes in pharmaceutical patent protection. We are still not sure where they stand on that today. They fought the dismantling of the foreign investment review agency. They denounced deregulation and privatization. They also swore to abolish the GST, to scrap the GST. We even heard in their first budget—

Mr. Nault: It is coming. Don't be disappointed.

Mr. Charest: The hon. minister responsible for financial institutions says it is coming. Is that not what they said in their first budget, that they were going to accelerate reform of the GST? Is that not what the Liberal government said in its first budget?

What has happened since? Nothing, except the vain hope that the Deputy Prime Minister will resign if it is not done. That is the glimmer of hope they have offered to Canadians with regard to changes to the GST.

• (1205)

The vindication of these Tory policies lies not in their dubious embrace by today's government but rather in the results now being achieved in the country's productivity, its increased investment in exports and the new job creation.

Our economic growth today and in the foreseeable future is based for the most part on these Conservative initiatives so mindlessly and vigorously obstructed by the Liberals in opposition. It is one thing for the opposition to say that everything that is wrong with the country today was the previous government's fault. If we were to follow that line of thought, then they would have to admit that what is working would also be the previous government's fault.

Things as trivial as an increase of 40 per cent in trade between Canada and the United States, which is the number one reason we have job creation in the country today, that they fought against vigorously and at every turn. Things like changing the GST because it actually changed the federal sales tax for manufacturers in Canada. If we ask manufacturers today why they are more competitive, it happens to be because of the GST.

There is more than one side to this story. Those are things that are forgotten. For all of these policies they demonized Prime Minister Mulroney. They and their acolytes would not even concede the elementary assumption of civilized discourse in a democratic society, that their opponents acted in good faith for good motives but maybe with a mistaken policy. That usually would be the presumption. No.

As far as the Liberals were concerned, Tories wanted to sell out the country. We were bent on dismantling the federal government. We were going to balkanize the country, killing the Canadian dream. This was imposing the Thatcher–Reagan neo–conservative corporate agenda on Canada. That is what they were saying during the nine years in this place.

Now the President of the Privy Council is quoted in the Toronto *Star* of March 4 acknowledging that he cannot recall the Conservatives cutting anything like the $7 billion the Liberals plan to take out of the provincial social programs between 1996 and 1998. The same minister in the same article is quoted invoking the name of the Hon. Erik Nielsen, boasting that this budget was a mega–Nielsen exercise.

These are the same people who for nine years behaved in a way that is totally the contrary of what they are espousing today. As far as I know there is only one Liberal member of Parliament who has stood by his convictions. Only one Liberal member of Parliament has said he is offended by this. That is the hon. member for Notre–Dame–de–Grâce who is quoted in the same newspaper article as saying it is a repudiation of everything the party stood for in opposition and promised in the 1993 campaign.

This is not the member for Sherbrooke. This is not a member from the Reform Party. It is not my colleague from Saskatchewan saying this. It is a Liberal member of Parliament sitting on that side of the House who was there for the last nine years, who

was there before that also and still sits, for now, with the government. We await his vote on the upcoming budget in regard to these issues.

As for other Liberal MPs, their critical faculties and social consciences seem to have been dulled or blunted along with their political instincts, lulled by the most insidious narcotic known in politics: the polls, the fast results and public opinion polls.

The Minister of Finance now boasts that his budget policy is such good politics that there will be more of the same, more again and yet even more as we get closer to the election campaign. Let me offer some advice to members in the House. Save those quotes. Cut them out. Keep them close. As we approach the days of the election campaign you will find them very useful.

● (1210)

We will also find out in the next two or three years that the government has an intended raid on the treasuries of other governments. That is what the budget is really about. From 1995 to 1997 there is a series of delayed action bombs which it hopes will explode in provincial jurisdictions and take out provincial and not federal politicians.

Most of all, we should give credit to Canadians. If anyone deserves any credit in this country in regard to some of the good decisions that are being proposed it is the Canadian people who have spoken in a loud voice and with consistency in regard to these issues.

The bottom line in the budget is that the cost of servicing the debt is going up as fast as program expenditures are coming down. Fiscal improvement is the product of increased revenue from economic growth. That is what we are seeing. So far as balancing the budget is concerned it has to take place at some unspecified time.

The government has made hay of the fact that it has a 3 per cent commitment in terms of reducing the deficit to GDP. It even has the temerity of adding that this is the standard of the European Community. What it forgets to say is that in the European Community this standard is applied to national governments.

In Canada, in the federal system, the provincial governments also incur debt. This year alone it is estimated that they will add $16 billion to the annual debt of the whole country. This is a false standard and the marketplace has recognized it. In fact, if we were to speak objectively of the reaction to the budget, at first what seemed encouraging has since then soured. The bank rate since the budget has gone up. The prime rate has gone up and the dollar has fallen. Those are objective facts.

I will recognize that there are other factors out there in the international marketplace but if the government makes a pretence of telling us to look at the numbers because it is on course, it reveals to us that it is certainly not on course in terms of the provisions it has made.

One group of people had it right. One rating agency grasped the essence of the budget very quickly. It was the Dominion Bond Rating Service. This service looked at what was proposed in the budget and then went on to place Ontario's rating under negative review because the provinces stand to lose billions of dollars in federal transfers. It understood what had just taken place. The problem had now been transferred to the provincial governments. It then turned to Ontario and saw who was in trouble now. It was Ontario that was going to be losing the money. It understood the real impact of the budget.

Some apologists for the government and some wishful thinkers explained the budget as a triumph of pragmatism.

[*Translation*]

Let us not kid ourselves. When the government says it is taking a pragmatic approach, the fact of the matter, what we have actually seen, is that it is all improvised, an off–the–cuff, ad hoc, last minute approach, which is interestingly enough reflected in the decisions that are made, particularly with respect to provincial transfers for social programs. It will all come out of the same big transfer pot, so to speak, with as little connection as possible.

In its budget, the government even had the nerve to suggest putting the Minister of Human Resources Development in charge of negotiating new standards with the provinces. After his first mission—which was a flop, a complete fiasco, ending in humiliation, and ultimately disowned—he is asked to go and consult again with the provinces, while cuts have already been announced.

Mr. Speaker, let us not be naive. We were not born yesterday. Just between you and me, what is going to happen when they get together with the provinces? How do you think things will go? The provinces are going to say: "Look, you made the decision to cut. There is nothing left to negotiate. Give us whatever money is left and leave us alone." This certainly reflects a lack of planning.

[*English*]

This brings me to what I see as the first major weakness of the budget: there is no plan. It reflects nothing of what the Liberals said, did or stood for in the last nine years in this place. The budget reflects nothing of what is written in the red book. All promises have been thrown out the window. The red book has been scrapped and the government and the country are left with no plans and no priorities. What kind of a situation does that lead to?

• (1215)

This government is cutting R and D and the granting councils 14 per cent, the same way it is cutting small craft harbours across the country at a time when R and D is important for the country. This is a government of one of the only modern countries in the world to have closed universities. That is what happens when there are no priorities. That will be the first weakness of this government.

I have already alluded the second, this false objective of 3 per cent of GDP which frankly is not good enough and will not last. The country needs a very firm commitment to balance the budget with a timeframe.

The third weakness in the budget is in its approach. The budget and its unilateral ways go against the very essence of what federalism is about. Rather than setting national objectives for deficit and debt reduction, rather than sitting down with the provinces to avoid a situation, we are only off–loading debt into their yards.

How do we know a provincial government will not choose to increase taxes as a consequence of the budget? Where does that leave the taxpayer, the men and women, individuals who pay taxes today? There may be more than one level of government but there is still only one taxpayer. The approach is wrong and will not work.

The fourth area is the hidden agenda. Pension reform is the most glaring one. Here is a government that says it wants to undertake pension reform but will not share with the House of Commons the studies it has done in this regard when we know the impact and the consequences of what it is proposing are tremendous.

Let me give another example of the hidden agenda of this government with regard to the budget. The Prime Minister went on a TV show with Mike Duffy, stating as a matter of policy the government wants to reduce the cost of health care 1 per cent of GDP.

Mr. Duffy had a guest on his show last week, Dr. Jane Fulton, Ph.D., a professor of health policy and ethics at the University of Ottawa. I do not remember anything being said in the budget about cutting health care in Canada 1 per cent relative to GDP. This is not an ordinary member of Parliament who said this. It was the Prime Minister.

What does this mean? According to Dr. Jane Fulton: "I think if we have to talk between $7 billion and $10 billion, and every time we cut $1 billion out of any kind of public funding we cut about 10,000 jobs". I am not quarrelling that there need to be serious thinking and reduction of funding in health like in every other area of government.

What I find objectionable is that the government in this case has a hidden agenda. It is not coming clean with Canadians. Why did the Prime Minister not say this? Why did the Minister of Finance hide this from the House when he came forward with his budget? I am assuming the Prime Minister did not think this up. Did it just appear in his mind during an interview that this would happen? If that is the case, we all need to be enlightened with regard to this.

There is one advantage to the budget in terms of what it means to all the issues we are confronted with. It certainly puts into perspective the real accomplishments and the failures of previous governments. If this government likes to blame the previous government on anything that went wrong, it would also want to acknowledge the strong growth we have in our economy today was also because the previous government restructured our economy, brought forward the FTA, the NAFTA, the GST, privatized, deregulated.

These were the main features and the Liberals fought every one of them for nine years. Those enabled Canadians today to have economic prosperity and see some real job creation as we now go on to deal with some of the really tough issues we are confronted with.

This government has no compass, no plan. The last nine years were a complete farce. Whatever it was saying or purporting to present as positions were all thrown out the window. The red book has been thrown out the window.

• (1220)

I see my colleague here, the Parliamentary Secretary to the Minister of Foreign Affairs. Foreign affairs took a deep hit in the budget, contrary to anything the Liberals purported as being a position for ODA in the years they were in opposition. It does not resemble it at all.

Canadians will now watch very closely as this government tries to get its act together and await whether there will be a sense of priority and planning in terms of where this country is going.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I congratulate the member for Sherbrooke on his fine speech. I would say he is quite loquacious.

I note that he is attributing the current rise in the interest rate to the budget tabled by the Liberals, whereas, about a month ago, he attributed it to the political uncertainty in Quebec. I am happy that the member for Sherbrooke is making amends and recognizing the real source of our difficulties.

I find him wordy; I like him; I think he made a fine speech, and I would like to ask him this. Why did he not give the same speech during the electoral campaign in Brome—Missisquoi just before February 13? He never opened his mouth there. He said nothing of all that, and yet he knew it to be true. He did not say a word. Are we to understand—and this is my question—that there was an agreement with the Liberals not to hurt them during the electoral campaign in Brome—Missisquoi?

Mr. Charest: Mr. Speaker, I will first comment quickly on my colleague's allusion to a comment I allegedly made about interest rates. I made no such comment.

I will stop immediately here and ask him his source.

[*English*]

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I listened with interest and it sounded like a death bed repentance, a true confession, a catharsis for the hon. member.

I want to share this time with other members. The member talked very seriously about the implications of the reduction of transfers to the provinces.

The member well knows the transfers are a combination of tax points and cash and that under the existing EPF and CAP provisions, in certain provinces the amount of cash would be reduced to levels which would eliminate the leverage the federal government would have with regard to maintaining national standards with regard to education, health and so on.

I wonder if the member would admit or agree that the consolidation of the programs under one transfer, where there is a consolidation of tax points and cash, does assist the federal government to ensure appropriate national standards?

Mr. Charest: Mr. Speaker, the member for Mississauga South may be a little confused in what he is saying. If I understood him correctly, he was saying the proposed reduction in cash and tax point transfers would reduce the leverage to a minimum, the leverage of being able to ask for standards. He said how we think the government can impose some standards or allude to the fact that we should continue to do so.

If the government is to act unilaterally in this way and announce the cuts in advance I hope he is not naive enough to think it will sit down with the provinces and negotiate some sort of standard. There is nothing left to negotiate.

If the hon. member has ever been to a federal–provincial meeting he would find it quite startling to sit down with ministers of other provinces who will say to the Minister of Human Resources Development: "There is nothing left to discuss. You have made the decision on the cuts. What do you want from us?" That will be the dynamic of the meeting.

This points to one of the major weaknesses in this approach. During the election campaign our view was that if we were going to deal effectively with deficit and debt reduction, given that it is all the governments that enter into deficits and debts, it required a joint effort by all governments.

• (1225)

There should have been a formal process, a federal–provincial meeting, in which the government should have set joint objectives in terms of deficit and debt reduction and as a consequence of that, because it would imply reductions in transfers to the provinces, examine line by line areas of joint spending where the federal government uses its spending power to determine where each level of government should be intervening. That was the common sense approach we proposed. His government chose instead to act unilaterally.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, I found the speech of the hon. member for Sherbrooke extremely interesting, especially considering the member ran for the leadership of a party which took the hole the prior Liberal government dug $170 billion deep and proceeded to dig it even deeper to the tune of $420 billion.

I find it interesting how he would, in his first opportunity, attack a Liberal budget. In opposition people tend to attack government budgets. We did the same thing. There are some things about this budget that are worth while commenting on, such as the $9 billion in cuts the government has proposed which the opposition has been urging for over two years. It is soft, it is too slow, but that is another story.

I have three specific questions for the hon. member for Sherbrooke. When he was part of the Conservative government why did it or could it not reduce the deficit? What does he think currently is the biggest problem in this country, the debt, the interest costs to service the debt or the deficit? Does he agree or disagree with the Reform Party solution of a zero deficit in three years, working toward a balanced budget and protecting the taxpayers from increases by government with a taxpayers' protection act?

Mr. Charest: Mr. Speaker, I want to thank the hon. member for Calgary Centre for the question and for the opportunity to set the record straight, as the budget offers us an opportunity to put things in perspective.

He asked me, with respect to the Conservative government, what were the things it did or did not accomplish. Let me point them out in real, objective terms.

When we became the Government of Canada in 1984 program expenditure was rising at an annual rate of over 13 per cent. We brought that down to below or around 4 per cent. When we took over government in 1984 the annual deficit relative to GDP was in excess of 8 per cent. We brought that down to somewhere in the area of 5 per cent or 6 per cent.

I will go further because I know he will be interested in the facts and less in the rhetoric. A document was put out by this government, "Agenda, Jobs and Growth: Creating a Healthy Fiscal Climate". I am sure people can write to the Department of Finance to obtain a copy.

This Liberal document of October last has at page 8 a very interesting graph on the federal deficit as a percentage of GDP. If we watch the line very closely, as of 1984 when we became the government the line started to go down dramatically. That reflects the real efforts we brought forward as opposed to the inflated demagogy we have heard from time to time. We produced a surplus on the operating budget of the government

of $13 billion over the nine years we were the Government of Canada.

Does that mean everything we did was right or perfect? Obviously the answer is no. Those are the facts as opposed to the fiction proposed by others.

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, I was quite happy to see the hon. member for Sherbrooke here because I wanted to discern his party's position relative to the budget. I was a little disappointed last week when his colleague from Saint John supported the Reform motion calling for the elimination of the deficit within the time of this Parliament.

I did not discern in his speech where he was going in terms of whether it was too tough or not tough enough. Before the last election he proposed the position that the federal government had to work with the provinces to come up with a joint strategy. Do I assume that is no longer the position? Certainly that was indicated last week.

• (1230)

Does the member for Sherbrooke share his colleague's position that the Government of Canada should eliminate the deficit inside this Parliament?

Mr. Charest: Mr. Speaker, I will be happy to answer the question.

There are four things about the budget we think are wrong and need to be addressed. There is no plan or priorities for the country any more with regard to deficit and debt reduction. That means we may run the risk not only of making tough decisions but wrong decisions.

The objective of reducing the deficit to 3 per cent of GDP is not good enough. There should be a clearly enunciated objective of balancing the books within a precise timeframe. Three years is a reasonable timeframe.

Third is its unilateral approach in terms of deficit and debt reduction, which is a complete negation of what a federal country is and how it operates. That puts us in the situation in which we well run the risk of the government's shovelling its deficit and debt problem into the yard of New Brunswick. If it chooses to increase taxes, if it chooses to cut service, we are not going anywhere unless there is a joint effort.

The fourth problem is the hidden agenda. Pension reforms, reform for health care as announced by the Prime Minister are not enunciated in these documents, not clearly laid on the table in terms of the agenda of the government in its document.

The Deputy Speaker: My apologies to the member for Strathcona. I am obliged to go back and forth across the House. Therefore I have to go to the government speaker now. I know the member for Strathcona has been waiting for a long time.

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, the hon. Minister of Finance has tabled the budget Canadians asked for, a budget that is tough but fair, that will allow us to gain control of our deficit, one that has been growing out of control for decades.

We cannot afford to repeat these mistakes. Our government has looked to the future. It could be one in which Canadians are told which services they can and cannot afford by foreign creditors or it can be a future in which Canadians decide their priorities and watch them flourish. The government and the majority of Canadians have chosen the latter.

Our government has taken the necessary measures to ensure Canada's future will be bright and prosperous. Tough decisions had to be made and they were. Our government has produced a plan that is viable and attainable.

I would like to quote from the red book which is often used by opposition parties. Where our policy on Canada's fiscal situation was first outlined it says a Liberal government will adopt a two track fiscal policy, matching a drive for jobs and growth with a comprehensive approach to controlling debt and deficits. That is on page 16.

This is exactly what has been done, from our government's agenda of jobs and growth to the budget tabled by the Minister of Finance.

In producing this budget the minister has taken the time to solicit views of Canadians and all members of Parliament and has reacted to their concerns in delivering a budget that re–established its goal to meet the financial commitments and obligations, the same commitments made during the election campaign and reinforced during the 1994 budget.

The plan outlined by the hon. Minister of Finance will break the back of the deficit and enable us to reach our goal of 3 per cent of gross domestic product by 1997.

• (1235)

Projections indicate that our goal will be exceeded this current fiscal year when the deficit is expected to fall as low as $38 billion, $1.7 billion below our target of $39.7 billion for the end of the fiscal year.

As I listened to the Minister of Finance deliver his budget I realized that it reflected the message impressed upon me by constituents in Carleton—Charlotte. It was the same message impressed upon MPs across the country, including the Minister of Finance.

Canadians want to get their debt under control. They want to achieve this through cuts in government spending. The government has heard this message loud and clear. For that reason we have committed to cutting $7 in expenditures for every $1 in increased revenues.

To ensure fairness in the tax system, the government has closed a number of loopholes that benefit large corporations and banks and has avoided increasing the burden on individual and middle class Canadians and their families by refusing to increase personal income tax.

In 1994 a department by department review of all government programs was initiated in which every expenditure in each department was reviewed. As promised, the results of that review were announced in this year's budget.

The government has redefined its own role to ensure that departments focus on the priorities of Canadians. The new government operations will be smaller but more effective and more efficient.

This government has had the foresight to realise that small and medium size businesses are the future of growth in Canada. For this reason the $500,000 capital gains exemption has been maintained for small business and for farmers. Similarly, only minor changes were made to registered retirement savings plan contributions which benefit many working in this sector.

Government spending has been cut dramatically but in a way consistent with the values of Canadians, protecting the most vulnerable in society and cutting government first.

As I mentioned earlier, the budget also promotes the government's agenda for jobs and growth. In 1994 well over 400,000 new jobs were created, most of which were full time, permanent jobs. The economy grew at 4.5 per cent, the largest economic growth of all the G–7 countries. This type of growth will continue to flourish in 1995 as a result of the measures taken in the budget.

I quote from an article in the Ottawa *Citizen* on March 2:

> The boom is back. And, at least temporarily, without inflation. The economy, fuelled by exports and consumer and business spending, steamed ahead at a robust 4.5 per cent pace last year, Statistics Canada said Wednesday.
>
> And growth in the final quarter of 1994 was at a torrid annual rate of 5.9 per cent, the agency said in its latest report card on the economy, which suggests there is more growth to come, the analysts said.

The following quote was also published in the same issue:

> The *Wall Street Journal*, one of the coolest critics of Canada's economic policies, has been warmed a few degrees by the new budget. The influential business newspaper said in an editorial Wednesday that the finance minister's budget ought to be an inspiration to other countries struggling with overextended governments.

• (1240)

The minister has obviously listened to Canadians from Carleton—Charlotte and from across Canada and delivered a budget they wanted; a budget that is tough but fair and will be implemented equitably.

We can now look forward certainly to a better tomorrow for all Canadians in the future as a result of the budget tabled by the Minister of Finance in the House.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I want to say to the hon. member who has just spoken, that everyone agrees, in fact, that there is a need to control federal government spending, which has been out of control for a number of years and which has brought us to financial disaster.

In a world where markets are said to be increasingly dealing with internationalization and globalization and where our producers need help in research and development to enable them to deal with worldwide competition, where, in his opinion, is the logic in suddenly stopping all research and development in the area of sheep production by deciding to close the one experimental farm that worked in this area and that had a national mandate across Canada? What message is being sent to sheep producers in Canada when they are told they will have no more support in research and development?

Why was the decision made to take everything away from this sector? Is this not what might be called a poor cut, as compared with others, which could be made where there would be no direct impact on an important sector of agricultural production, such as sheep production—a form of production making agricultural diversification possible, particularly in Quebec and Alberta? What, in his opinion, is the logic behind such a decision?

[*English*]

Mr. Culbert: Mr. Speaker, I should agree with the hon. member across the way in his question. He is quite right. Although we take pride in the fact that we must get our debt and deficit under control, we are not the first government that has set goals for bringing it under control. We certainly will be the first government in this century that will meet those goals. The Minister of Finance has made that commitment. The Prime Minister has made that commitment and the House has made that commitment.

Research and development is a priority of this government. It has been stated time and again. The government also believes private enterprise and commercialization can do, as proven in the past, the best job out there in business. Whether in research

and development or small business or industry, they can do it much better than any government level can.

This government is supporting that. It is supporting a partnership with private business and industry. We will continue that support in the future.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I have witnessed many budgets tabled in the House. Usually the next day constituency offices' telephones ring off the hook with complaints, support or whatever.

This year I checked with my constituency office on how many calls it received the day after the budget. My assistant in Parkdale—High Park told me it received one call. That caller said the minister did not go far enough in reducing the deficit.

• (1245)

Because the hon. member works very closely with and listens to his constituents, what kind of reaction did he have from them directly on the budget, positive or negative?

Mr. Culbert: Mr. Speaker, I thank my hon. colleague for the question. To be honest, it was an excellent one. Like he I expected my phone to be ringing on the budget. However I can honestly say it did not happen.

Last week we had an opportunity to be back in our constituencies. On Monday I had did an electronic town hall meeting specifically on the budget. The headline in the newspaper the next day was: "First attempt on an electronic town hall meeting" because we had done all the others personally "went very smoothly". There were many questions. Every person in the television studio was very positive about what the government had done in the budget and how it was done fairly and equitably right across Canada for all Canadians.

It was quite different from a radio interview I did on Friday morning. It was supposed to be on the budget. When I arrived at the radio station it was on Bill C–68 or gun control and I was facing a lawyer sitting there debating it from another perspective.

It showed the amount of negative concern there was toward the budget. I found out from my constituents exactly what the hon. member mentioned he heard from his constituents. It was accepted. It was supported. It was tough. It was fair but it was equitable.

[*Translation*]

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, first of all, I would like to congratulate the Minister of Finance, for delivering a courageous and innovative budget, which, most importantly, takes on the deficit yet respects the red book commitments. This was no easy task and the minister did a great job.

Having had the honour of sitting on the Standing Committee on Finance, I am very happy to see that the minister incorporated 80 per cent of the committee's recommendations into his budget. This means that the minister took into account the suggestions and concerns that Canadians expressed during the public hearings held nationwide.

This budget takes the steps needed to control the deficit. These budgetary measures are the most rigorous undertaken by a federal government in 50 years. They will permit us to bring the deficit down to 3 per cent of the gross domestic product by 1996–97.

This budget also allows us to meet our goals without increasing personal income taxes for the second consecutive year. The government refuses to reduce the deficit by offloading it onto Canadian taxpayers. Like Canadians as a whole, we believe that we must strive to balance the budget. We will achieve this in a responsible and realistic way without jeopardizing the strides we have taken regarding the economy and on the job front over the past 16 months and without discarding the values and priorities of Canadians.

[*English*]

We use forecasts that are more prudent than the private sector average. The budget anticipates the debt charges in 1995–96 alone will be $7.5 billion above last year's estimates.

This is why we must act now or risk missing our deficit target altogether. The budget takes some tough actions to prevent the probability of failure. To hit our targets we are implementing cumulative savings of some $29 billion over the next three years. This is the largest single set of actions in any budget since World War II. These actions mean changing the size and the shape of government. By 1996–97 program spending will fall from $120 billion to just under $108 billion.

• (1250)

The structural changes we are making will assure that significant deficit reduction continues in 1997–98 and, more important, beyond. The bottom line benefit will be dramatic. By 1996–97 the deficit will be lower than that of any G–7 country.

[*Translation*]

We have taken measures that will have far–reaching effects and are result oriented.

We have substantially cut spending while at the same time preserving principles that Canadians hold dear, namely economic recovery, protection of the disadvantaged and government streamlining.

If we want our efforts to put our fiscal house in order to be efficient and sustainable, it is imperative that we reconsider the role and structure of government and focus government activities on the priorities set by Canadians.

In this budget, government is brought down to a size we can afford. Cuts were not made blindly, contrary to what the opposition says. The measures announced by the Minister of Finance flow from the comprehensive review of departmental programs and activities we had announced in the 1994 budget and they will continue to pay dividends in the years to come.

Expenditures will be cut by half in some departments. After these measures have been implemented, the public service, including DND, will be reduced by 45,000 positions, or 14 per cent.

[*English*]

The budget reduces the deficit in a way that is consistent with the strong Liberal commitment to social programs. We remain absolutely committed to a fair and sustainable system of protection for seniors who have given so much to the country.

The budget states the basic principles of the so–called hidden agenda the hon. member for Sherbrooke alluded to before. There will be the following: undiminished protection for all seniors who are less well off, including those receiving the guaranteed income supplement; continuation of full indexation to protect seniors from the effects of inflation; provision of old age security benefits on the basis of family income, as is currently the case with the guaranteed income supplement; greater progressivity of the benefits by income level; and, more important, control of program costs.

[*Translation*]

The role of the state is to do only what it does best. Therefore, some activities should be transferred to other public administrations or entrusted to the private sector. If the federal government does not have to do something, it should not do it. And in the future, this government will not do it.

True, this budget is tough, but it is fair. The Minister of Finance strove to distribute budget cuts fairly among all regions.

We will not reduce the deficit without also reducing provincial transfers. Nonetheless, the cuts we are asking the provinces to absorb are not as deep as the cuts we are facing ourselves, that is, 3 cents for every dollar of provincial revenue.

This budget constitutes additional proof that federalism is dynamic, flexible and not stuck in the status quo. The federal–provincial transfer payments will be replaced with a new consolidated subsidy called the Canada Social Transfer, which will alleviate the constraints that the government may impose in areas of exclusive provincial jurisdiction.

By giving the provinces two years' notice before introducing the Canada Social Transfer, we honoured a red book commitment to "achieve the maximum degree of predictability and stability for each level of government". It is the Quebec government that is deferring all important decisions because of the referendum.

The Leader of the Opposition alleges that this budget is unfair to Quebec. No region suffered more cuts than any other. Under the Canada Social Transfer, transfers to Quebec in 1996–97 will decline by only $350 million. That is a 3 per cent cut compared with 1994–95.

• (1255)

Over that same period, we will reduce federal spending by 7.3 per cent, which is almost double the cuts affecting transfer payments to the provinces. It goes without saying that those who support separation cannot react positively to a budget which demonstrates that Canadian federalism works.

Bloc members oppose the reduction of the subsidy to industrial milk producers. Yet, the Leader of the Opposition himself said that, in an independent Quebec, he would willingly abolish that subsidy. Financial markets did not endorse the claims made by the Quebec Minister of Finance to the effect that the federal budget generates uncertainty. Indeed, all are unanimous in saying that the budget measures will help fiscal consolidation.

Even the editorialists from Quebec recognize that this budget paves the way to a federalism respectful of the provincial fields of jurisdiction. The budget was designed with the best interests of Canada and Canadians in mind, not those of Wall Street. Still, we managed to reassure the financial markets. It is now up to the Quebec government to put an end to the uncertainty by holding its referendum as soon as possible.

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, I think the hon. member for Vaudreuil is to be commended for the stand he took in his speech on this budget. He is to be commended, but I am somewhat critical of his choice of words. I think he should check the definitions in the dictionary, and I am referring to the fact that he called this a "courageous budget".

I would like to remind the hon. member for Vaudreuil that during the last election campaign, the Deputy Prime Minister made the following promise: "Give me a year, and we will get rid of the GST or at least make some changes to improve it. Give me a year, and if we do not, I will resign". Fifteen or sixteen months later, nothing has changed. The only suggestion the finance committee made was to hide it, to camouflage it and make it a little less blatant.

The hon. member's leader, the Prime Minister, the leader of his own party, the Liberal Party of Canada, said: "Give me a day, and I will make some thorough changes in the pension plan for members of Parliament". Fifteen or sixteen months later, nothing has been done yet. And what is on the table is a mere shadow of pension reform.

The present Prime Minister said during the election campaign: "During our first term, I will not raise taxes or personal income tax". So what did he do in last year's budget? They raised $500 million by de–indexing old age security pensions. What did they do this year? The hon. member for Vaudreuil must know that they raised, or will raise, $500 million by taxing every litre of gas an extra 1.5 cents.

But this is the question I would like to put to the hon. member for Vaudreuil, who has a number of dairy farms in his riding. He must be aware of a consensus among dairy farmers in Canada on one milk, one price. By removing 15 per cent of the subsidy on industrial milk this year and another 15 per cent next year, the government is widening the gap. How will he explain to the dairy farmers in his riding that the gap is getting even wider?

• (1300)

And how can he explain to the farmers in his constituency, and I say this in concluding, why in the west, now that the Crow subsidy worth $560 million has been abolished, farmers will receive $1.6 billion in compensation tax free, when our dairy producers will lose 30 per cent of their milk subsidy without receiving any compensation whatsoever?

Mr. Discepola: Mr. Speaker, I am pleased to reply to the hon. member, because he started by saying that he did not think this was a courageous budget. He gave three examples which, I suppose, are his three major concerns, namely the GST, the pension plans and personal income tax. The last point raised by the member was the impact of the cuts to agricultural subsidies.

I am convinced that in the riding of Vaudreuil, and elsewhere in Quebec and in Canada, the three points raised by the hon. member are not unanimously perceived as the three major issues. The main concern is government spending and the lack of flexibility resulting from a debt accumulated over many years and which is very costly in terms of its financing.

As you can see in the budget, in spite of cuts of $29 billion over a three–year period, the interest on the debt will increase by roughly $7 billion. This is a courageous budget because, for the first time, a Minister of Finance meets his own objectives in terms of the debt reduction. This is a first in the history of our country.

For the second year in a row, the government has not increased personal income tax. The hon. member forgot to mention that point. As for the pension plan, the member is well aware that we introduced a bill which will be voted on in April.

When it comes to agricultural subsidies, the Bloc Quebecois always tries to compare the East to the West for political expediency. It must be mentioned that, in the West, the subsidy was completely eliminated. The farmers were deprived, without notice, of subsidies amounting to $560 million. This is why a transition period and a compensation are provided. In Quebec and in the East, we are only talking about an annual reduction of 15 per cent, over a two–year period. It is better to get 70 per cent than nothing at all.

In reply to the hon. member's question, I think this is a courageous budget because we tried to be fair. We did not ask more from the provinces than we were prepared to give. We did not ask the small and medium size businesses to do more. We tried to be fair and this is why the budget was well received across Canada, and even in Quebec.

[*English*]

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Mr. Speaker, I appreciate the opportunity to participate in this year's budget debate.

I feel fortunate to be able to have this opportunity to pass on the views of my constituents of Edmonton—Strathcona. The constituents of Edmonton—Strathcona voted for a Reform member of Parliament based primarily on three principles: justice reform, parliamentary reform and, most significantly, fiscal reform.

It is because of the fiscal reform that I became involved in politics. I wanted to ensure that the standard of living which I have enjoyed will be maintained and passed on to my children and to my children's children.

This budget presented by the Liberals does nothing to seriously address the national debt and deficit problem. It has been said that a new government receives only one chance to make the necessary changes, one window of opportunity. This government has had not one but two chances.

• (1305)

The first was a year ago when the government was more concerned about increasing the deficit through increased spending and claiming that the deficit was not a problem. It then spent the rest of the year producing discussion paper after discussion paper while doing nothing.

The second and final narrow window of opportunity which the government has had to balance the budget passed earlier this month when it failed to implement the necessary restructuring in its latest budget.

It is therefore amazing to me that this government can stand before the citizens of Canada and present such a disheartening and ineffective budget. It is another example of Liberal smoke and mirrors. The Liberals state this budget is exactly what the doctor ordered. If this is the prescribed medicine, it not only smells bad and tastes bad but it is totally ineffective. Canadians have been subjected to a clinical trial where they have received nothing but a placebo.

This budget has cut spending by $12 billion over three years with a cut of only $4.1 billion in 1995–96. What the government is not telling Canadians is that we are borrowing more money this year than we did last year even after these poorly placed budget cuts.

The reason for this is extremely painful. It is because the interest payments on the debt are becoming astronomically high because of previous Liberal and Conservative governments and this Liberal government's continuation to run deficit after deficit.

With this Liberal plan Canada will still be running deficits of approximately $25 billion annually by 1997. This is a sad commentary on the government's unwillingness to listen to Canadians. At the end of the day, the national debt will still rise by $100 billion and Canadians will have to cough up nearly $50 billion a year in interest payments. This is a $12 billion increase since the Liberal fat pack came to power.

The Liberals have also managed to introduce a budget which involves short term pain with even longer term pain. What Canadians wanted was a budget which not only controlled spending but a budget which made a concerted effort to begin the process in which the deficit can be eliminated.

This is what we introduced in the taxpayers budget. It was a budget that could have seen the elimination of our national deficit within three years. The Reform Party had its fair share of short term pain. However, it had a light at the end of the tunnel. It was a budget that reflected hope and prosperity, unlike the Liberal budget which reflects doom and despair.

The Liberals have merely postponed the tough decisions until 1997. If they are unwilling to do the right thing now, how can they expect Canadians to believe they will be willing to make the right decisions down the road when those same problems still exist and the tough decisions have become tougher?

They should be honest with Canadians. I know we were with respect to the Reform alternative budget. The Liberals should come clean with Canadians and explain the consequences of their fiscal indecision and ineptitude. It took the Liberals 12 years to add the first $100 billion to the national debt. By the end of this mandate, the Liberals will have added a further $100 billion in only four years. This Liberal fat pack is extremely efficient, efficient overspenders.

Middle class Canadians are asking the same questions the Reformers are. For example, is heating your home a tax loophole? Is having electricity in your home a tax loophole? Is having water a tax loophole? Is having a car a tax loophole?

• (1310)

If the answer to these questions is no, then my constituents, Albertans, and for that matter all Canadians would like answers to the following: Despite this government's promise to limit tax increases to the rich and corporations by closing the so–called tax loopholes, why is it that the middle class has ended up with the burden of paying the majority of this year's nearly $1 billion tax increase in which a $.5 billion gas tax is included?

Why does the Liberal Party exploit Alberta to the extent that it does? Liberal governments have been notorious for abusing Albertans and this government continues the Liberal legacy. First we had the national energy program. Now we have the termination of the Public Utilities Income Tax Transfer Act through which nearly $200 million annually will be taken out of the pockets of Albertans.

While it is true this government did not raise personal income taxes, this government continues to speak out of both sides of its mouth. There is only one taxpayer and taxes did in fact rise by $1 billion this year and will rise by almost another $3 billion by 1997. Instead of tax increases, the government should have looked at the elimination of funding for non–priority items such as multiculturalism or regional development programs such as ACOA, WED or FORD–Q.

The government has taken a step in the right direction in terms of privatization. However, it did not go far enough. Every ministry has one or more areas in which the government is providing a service which is in competition with the private sector or could be done more efficiently by the private sector.

The Department of Canadian Heritage is no different. Due to time constraints I will focus my comments on the CBC. The CBC's primary mandate should be the provision of distinctive, culture specific information and drama programming. In an increasingly multi–channeled environment the current mandate to provide a wide range of programming that informs, enlightens and entertains is too broad. It is also clear that the mandate of the CBC is to provide Canadians with predominantly Canadian programming. However, what Canadians are being subjected to is extremely questionable in terms of meeting the prescribed mandate.

The issue is no longer whether the CBC has adequate funding, as that passed long ago, but rather the structure of the CBC. In particular, the organization has not adjusted to the realities of the marketplace. It is an outdated, highly concentrated and expensive organization.

We must constantly remind ourselves that the Canadian broadcasting environment has changed radically since the conception of the CBC. New technologies, new services, changing viewer tastes and fundamental changes in advertising behaviour

have transformed the broadcasting environment. We must not forget that in a world where the CBC is no longer the only national service, does it make sense to use scarce public funds to subsidize the provision of commercial television programming?

In this new world of broadcasting consisting of many more options to television viewers, public broadcasting cannot effectively maintain its all things to all people objective. It is therefore essential for survival in this multi-channel universe that the public broadcaster be willing to reinvent itself. It is quite evident that the corporation is unwilling to do just that.

When the president of the CBC states that revenues are not its mission, we must therefore as parliamentarians address this area for it. Since revenues are not the mission of the CBC, what is?

How can a private company such as CTV make revenues its mission while still adhering to Canadian content legislation? Last year, CTV spent $488 million on Canadian content. The CBC spends $561 million on Canadian content programming. This is not a huge difference considering we spent over $1 billion for the operation of CBC and nothing on CTV. CTV spends close to the same amount as CBC on Canadian production. The difference is, one is government owned and one is privately owned. One is a drain on the public purse and one adds to the public coffers through taxation and profit.

• (1315)

Had the government privatized CBC television, it could have saved the taxpayers approximately $800 million. This number does not include the revenue which would have been generated from the sale of approximately $1.5 billion in assets which the CBC currently holds.

The government must balance its books, which means all areas of public financing must be evaluated for efficiency and cost effectiveness. It is for these reasons that the Reform Party will not support the budget.

Mr. Julian Reed (Halton—Peel, Lib.): Mr. Speaker, I would like to correct the record. I am sure the hon. member did not mean it when he said that it was the Reform Party's objective to do away with the debt in three years. I am sure he meant deficit.

Before the hon. member becomes overly defensive about fuel taxes and the impact on Alberta, he should also remember the tax expenditures that go to the oil patch and have gone there over many years. I do not have a figure for last year but I know that in 1990 the tax expenditures to the oil patch totalled about $850 million. It is only fair to put some of these things into perspective.

There has always been an element that would like to privatize the CBC. Most people who think that way think of Canada as a long narrow strip of land that ends at about 150–200 miles north of the American border.

Historically the CBC has been one of the ties that have bound Canada together. No private investor would put a repeater station at Wawa, Ontario, for instance, or be broadcasting to the most remote parts of the country. That is what the CBC does.

The people of Canada pay for that service through their taxes so that every Canadian can feel included and a part of this country. If we were to privatize the CBC, what would inevitably happen would be those unprofitable areas of broadcasting would of necessity have to disappear if station was to show black ink at the end of the day.

I would suggest to the hon. member the CBC does perform a very valuable function. The money can be spent more wisely.

Mr. Hanrahan: Mr. Speaker, the hon. member has pressed a number of issues in my speech. With regard to the oil patch expenditures, while I agree that these have been made, they are nothing compared to the national energy program that took billions and billions of dollars out of Alberta.

I would not suggest, however, that we continue funding uneconomic programs, whether they be in oil or whatever commodity we are dealing with. With regard to the taxes on public as opposed to private, when the tax program was in place it was refunded directly by the private companies back to the consumer. In Alberta we have the majority of privately owned gas and electricity organizations. We are giving a tax free holiday to the publicly owned companies in Ontario and Quebec at the expense of Alberta and I believe Nova Scotia. This is grossly unfair to the consumer and to the average citizen in both of those provinces.

• (1320)

With regard to the comment on the CBC, let me deal with the historical aspect. I agree the CBC has played a significant role in the development of Canadian culture. We must remember that was back in the days when we had perhaps two, at most three television networks in the country.

The heritage committee right now is investigating the role of the CBC in a 500 channel universe. If we have a CBC which is costing $1.1 billion at a time when the government is rightly trying to restrict its expenditures, can we afford, when we are cutting back on health, when we are cutting back on education, can we afford the luxury—

The Deputy Speaker: I am sorry, the hon. member's time has expired.

The Budget

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, as I sat in the House on February 27 I felt I was in a time warp.

For 20 years we have been hearing the same biased platitudes from Liberal and Conservative finance ministers. The Lib con artists I call them, telling us that they have the deficit in hand, responsibility reigns and everything is going to be all right if people will just be patient and trust them.

When the current Prime Minister was finance minister he announced with a lot of heavy breathing that significant reductions in the deficit can be expected, and then proceeded to set a new record for deficit spending.

In 1982 Allan MacEachen said the government cannot responsibly add to the deficit, and then proceeded to set another record.

In 1990 Michael Wilson stated: "We will reduce the deficit to $28.5 billion next year. We will cut it in half to $14 billion in three more years and we will reduce it further to $10 billion in the next year after that". Plus ça change, plus c'est la même chose.

The government still lives in the same economic fantasy world as its predecessors. It believes it can spend and borrow itself into prosperity.

The Minister of Finance boldly stated in his budget speech that it is time to put our fiscal house in order, a line borrowed from a famous 1989 speech by the leader of the Reform Party. The minister has finally learned to talk the talk, but he made only a feeble attempt to walk the walk. He said that Canadians want clear action and then he proceeded to deliver mush.

Previous finance ministers were able to play budgetary games, sleights of hand for 20 years without making any real spending cuts. I acknowledge that the incumbent did make some real cuts. Thanks to the magic of compound interest he had no luxury of choice. He had to make cuts just to avoid immediate disaster. However he did not have the courage to cut as deeply as necessary to begin to solve the deficit problem.

The proposed $12 billion in cuts are going to hurt but they are going to be offset by additional interest payments which will continue to rise until they reach more than $50 billion in 1997.

• (1325)

What is his program after that? Continued half–hearted cuts until there is nothing left to reduce while annual interest payments continue to rise to $60 billion or $70 billion?

The hon. member for Broadview—Greenwood mentioned the same problem. He said: "We will solve this. We will have a new Bretton Woods agreement. We are going to have this great big international conference so we do not have to clean up our act at home. We will just bring in the IMF and it will solve all our problems for us".

Where does this insanity end? Does the government really intend to continue treading water until it drowns in debt? We cannot perpetually borrow money to give it away to people or entities that do not need it.

Speaker after speaker has risen on the other side of the House to tell us about their compassion. They ooze compassion. Please tell me what is compassionate about destroying the economy of the country?

Canada is like a patient with a gangrenous leg and a tender–hearted but incompetent doctor. That leg should come off but the doctor with misdirected kindness amputates only the foot. When that does not solve the problem, he cuts off a few more inches and then a few inches more, each time subjecting the patient to additional trauma. In the end, the poor devil dies anyway.

The finance minister is fortunate that unlike the incompetent physician, he cannot be sued for malpractice. They are so proud of their transfer programs over there but thanks to 20 years of deficits the biggest single transfer program is now payments to money lenders.

A lot of the transfer payments do not even stay in Canada but are delivered into the hands of financial institutions in Tokyo, New York and Zurich. The Liberals and Conservatives, with their bread and circus approach to governance, have sold us into economic slavery.

It is obscene that this most blessed of countries should be headed for economic collapse and that foreign money lenders are being allowed to continually suck our blood. This is the legacy of Lib–Con economic policy.

The Minister of Finance has refused to face reality in the name of compassion and caring. We are going to continue down that same steep and narrow path to national bankruptcy. What good will his reassuring words do when not too many years from now half or more than half of the national revenue must go into debt service?

What will be his after the fact excuse if the money lenders cut us off and we are no longer able to provide even basic government services, much less social programs? What will he tell the people of Canada when we are unable to help even the poorest of the poor, the old, the sick, the infirm, the weak? How will he explain it when there is no money left, when there is no medicare, when there is no welfare, when there are no old age pensions, no UIC, when there is nothing. Because that is the direction in which we are headed.

The government has again proven through its non–budget that it cannot be trusted with a credit card. For the sake of our children and our grandchildren, it is time to take that credit card away.

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Mr. Speaker, actually, I agree with what the hon. member was saying when he described the following rather gloomy prospects for the Canadian economy: "We are headed for an economic collapse, and we are going down the steep and narrow path to national bankruptcy".

• (1330)

National bankruptcy is what we see looming as a result of the budget that was brought down this year. This is one of the reasons, just one but a major one, why Quebec would like to separate from Canada. Canada's budgetary and financial affairs are a mess and are leading straight down the road to disaster, to bankruptcy. This is more or less what was said by financial advisers on Wall Street.

Personally, I do not want to see the poor and the elderly in Quebec in a position where they cannot count on the support of social programs, as the hon. member pointed out. This Budget is terribly unfair to people who depend on social programs.

This Budget will cut $100 million annually in funding for social housing alone, a program that is targeted to the poorest members of our society. Single parent families, women, the elderly, people who live alone, welfare recipients: they all belong to the poorest social group in our society. This group will be affected by cuts of $100 million annually, while the banks get off scot–free or almost, with very few cuts, in fact $100 million over two years, the same Canadian banks that last year made a net profit of $4.3 billion. These cuts represent not quite 2 per cent of their net profits.

I may also add that family trusts will not pay a cent.

In concluding, I want to say that I fully sympathize with what the hon. member said, and I would like to ask him the following: If he were in Quebec, would he not agree that the best solution, at least for Quebecers, is sovereignty?

[*English*]

Mr. Morrison: Mr. Speaker, I thank the hon. member for his very dramatic intervention. One thing puzzles me. I know the hon. member is an economist, yet in his intervention I detected hints of three economic theories all warring in the same breast. I heard a bit of Adam Smith. I heard a bit of Engels perhaps and a great deal of John Maynard Keynes.

As far as his immediate question regarding secession is concerned, is the hon. member suggesting that if they bail out and leave the sinking ship of state they will not be required to man any of the lifeboats? They could get off scot free after having benefited from the largess of deficit spending for lo these 20 years. Now they will leave us holding the bag and take nothing. Is this what the hon. member is saying?

[*Translation*]

The Deputy Speaker: I am sorry, you will not have an opportunity to respond as your time is up. Resuming debate.

[*English*]

Ms. Roseanne Skoke (Central Nova, Lib.): Mr. Speaker, I rise in the House today in support of the budget tabled by the Minister of Finance.

The fundamental objective of the 1995 budget is sustained growth and job creation. The budget takes far reaching actions to reduce spending and to reshape the role of the federal government in building a stronger, more dynamic Canadian economy.

The budget is aimed at restoring fiscal health and refocusing government on key priorities and needs. It is about getting government right so that Canadians can get the economy right.

It is the biggest Canadian budget since post–war demobilization. It delivers on the commitment to meet our fiscal targets using prudent economic assumptions. It cuts the deficit largely through expenditure reductions. It restructures spending to keep the deficit on a downward track. It puts the government's own house in order to make it smaller, more frugal, better managed and innovative.

It defines a new role for government in the economy. It reforms federal transfers to provinces. It points the way to reform of unemployment insurance and the public pension system. It distributes the burden of restraint fairly among Canadians and the regions of Canada.

• (1335)

The deficit and debt are national problems. The budget distributes the burden of restraint fairly across all regions. Canadians in every region have strongly urged us to bring spending under control. Some individual measures obviously affect certain regions more than others, but looked at as a whole no region is being hit disproportionately.

The budget shows that federalism is flexible and dynamic. Although we are cutting the level of transfer payments, we have given the provinces ample notice as promised and the cuts are less than those we are imposing upon ourselves. The government remains committed to the equalization program, a pillar of Canadian federalism.

The new Canada social transfer will give all provinces greater flexibility in designing social programs while the principles of the Canada Health Act are maintained. The introduction of the Canada social transfer in 1996–97 will deliver funding to the provinces, cash and tax points of $26.9 billion. That is a drop of about $2.5 billion from what provinces could expect under the current system.

That is tough action but let us put it in context. It means that the total of all major transfers, including equalization which is not affected by the budget, will be 4.4 per cent lower than today. By comparison, the cuts in federal spending everywhere else will be 7.3 per cent, a much deeper reduction.

The Canada social transfer will represent a new approach to federal–provincial fiscal relations marked by greater flexibility and accountability for provincial governments and more sustainable financial arrangements for the federal government. By doing so it continues our national evolution toward more mature fiscal relations.

The government is meeting its fiscal target. In the 1994 budget we pledged that the deficit would be reduced to 3 per cent of GDP or $24.3 billion for 1996–97. In the budget we are taking strong measures to ensure that those targets are met even with higher than expected interest rates.

The budget also looks beyond the two–year target because our fiscal reforms will continue to pay off in the years after sustaining our progress toward the government's ultimate goal, a balanced budget.

Our cautious fiscal and economic assumptions make clear the need for tough measures. To hit our targets we are implementing cumulative savings over the next three years of $29 billion. These actions mean changing the size and shape of government. By 1996–97 program spending will fall from $120 billion last year to just under $108 billion. The structural changes we are making will ensure that significant deficit reduction continues in 1997–98 and beyond. The bottom line benefit will be dramatic.

The budget concerns itself with increasing tax fairness. The 1995 budget takes far reaching action to restore the fiscal health that supports a strong and growing economy. The plan also reflects the government's determination to puts its own financial house in order instead of placing the burden on taxpayers.

Over the next three years spending reductions will total $25.3 billion against $3.7 billion in revenue action. That is almost $7 in spending cuts for each $1 in new tax revenue.

Most important, there is no increase in personal income tax rates in the budget. Where tax action is taken it centres on improving the fairness of the tax system. As the finance minister said, the issue of taxes is more than a matter of rates; it is a question of equity.

The budget reflects the results of the program review that was launched a year ago. The budget agenda is not just a plan for smaller government. It is a plan for smarter government and for reforming the structure of the government and how it spends. The size of government will be reduced substantially over the next three years. Departmental spending will be cut by almost 19 per cent from 1994–95 levels. For some departments spending will be halved and in total these actions will deliver a three–year savings of almost $17 billion.

As a result of the sweeping reform of federal programs, the public service will be reduced by 20,000 people this year and by some 45,000 positions over the next three years. For the first time departments will have to prepare three–year business plans and submit the plans to the scrutiny of Parliament and the public.

• (1340)

The impact of the program review budgetary measures has been fairly distributed across all provinces. Some programs have been eliminated or significantly reduced. Other programs have been redesigned or consolidated. There are some particular measures that tend to be concentrated in specific regions.

Of concern to the Atlantic region, and more particular to my riding of Central Nova, is the Atlantic freight subsidy that is being eliminated. However to offset this a five–year, $326 million transition program is being provided. Dairy subsidies will be reduced by 30 per cent over the next two years. Forest resource development agreements with the province will be discontinued. The public utilities income tax transfer payment of $30.4 million to Nova Scotia will be terminated. Regional agency funding will decline by $562 million over the next three fiscal years. ACOA's share of the reduction is $173.5 million or a 31 per cent reduction.

The government remains committed to supporting economic incentives in Atlantic Canada. ACOA has proven to be the most efficient and effective vehicle for delivering on the commitment. In terms of the government's commitment to job creation as promised in the red book, ACOA has shown itself to be part of the solution, having helped to create some 42,000 jobs in Atlantic Canada. ACOA will continue to fulfil a vital role as a source of capital for the region for growing small and medium size business and as a leader for economic development in the region.

In conclusion, the budget marks the beginning of a new era. It underlines the need for an evolving, dynamic, co–operative federalism to meet the challenges facing Canada's economy and its people in a tough, competitive world. It is a challenging budget but also an equitable budget that deserves the support of all members of the House.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, I listened very attentively to the speech on the budget given by our colleague for Central Nova. However, I must confess that I detected bias in her comments. This hon. member must be on the same team as the Minister of Finance.

She said a few minutes ago that she saw the budget as a source of jobs—there is nothing to be seen. There is absolutely nothing there, less than nothing for job creation in this country, on the contrary. The only good thing the Liberal government has done to create jobs was the $2 billion, which became—because it was a tripartite program—$6 billion.

That was the only good creative thing where jobs could be created, and it should be said that the jobs were temporary. There was $200 million left, and they were threatening to cut it. And the hon. member for Central Nova is telling us that jobs will be created out of this budget. On the contrary, there is nothing.

She spoke of the deficit and of the debt which had become huge, a major problem for the country. This is true. I, however, would remind her that, in 1970, when her team was running the country, the deficit was almost nil—$1 billion and some. It was "improved" again and again. There were of course Mr. Clark's nine months and the preceding government's nine years, but today's $550 billion debt, on which we pay $50 billion in interest a year, is the child of her own party, except for the nine years the Conservatives were in government, before the Liberals returned to power.

I conclude by asking my colleague how she is going to justify to her constituents the fact that they have widened the gap to obtain parity in industrial milk and unprocessed milk in Nova Scotia?

[*English*]

Ms. Skoke: Mr. Speaker, the hon. member raised a number of issues.

• (1345)

Let me set the record straight. I am not biased and I am certainly not confused. I have read the budget, I have scrutinized it and I am very proud to support the budget.

With respect to jobs and job creation we should not overlook the numerous job creation strategy programs the Liberals have implemented and are continuing with the budget. We have our youth service corps initiative and all our human resources development programs the people in my riding of Central Nova rely on on a very regular basis. They are creating jobs. I am proud to say we are now underway in implementing our youth service initiative program.

With respect to ACOA and its new role in terms of economic development in our area, we are very proud and pleased to have ACOA involved in economic and regional development and we are looking forward to working very closely with that agency.

We have our infrastructure program. Although there has been some reduction in the funding my riding has benefited significantly and created a number of jobs pursuant to this program and we are looking forward to future initiatives.

We also rely on small business in our area, which creates up to 85 per cent of the jobs in the country. The Liberals are being very active in terms of ensuring small businesses get the venture capital they need, ACOA will be taking a roll there, and also the measures they have taken in terms of ensuring banks recognize small business initiatives.

With respect to dairy subsidies, which affect my riding, there is only a 30 per cent reduction. There is equity in the budget. Every sector, every individual, every business, everyone has been affected by the budget. In terms of dairy subsidies for Nova Scotia there is only a 30 per cent reduction. It is time it became more competitive and cut its costs in terms of management and organization. It is not necessary for the 30 per cent reduction to be passed on to consumers. I trust it will not be in Central Nova.

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, I rise today in support of the budget handed down by the Minister of Finance.

The main basis for my support is this was a unique process. This was terrific way all Canadians could participate in the budget. Volumes and volumes of material and input from Canadians across the country were received and distributed among parliamentarians and among the general public. The information came in a variety of forms and forums. There were letters, organized mailings, budget workshops, radio call–ins and town hall meetings.

People put forward their ideas, their personal views, their fears and their projections for the future. Canadians took part in the prebudget consultation process and had their voices heard. No rebellion was necessary. True democracy worked and the budget is a result of that.

In Burlington we had a terrific prebudget consultation meeting. It was a great example of public participation, discussion and debate. We had incredible input and ideas from people of all ages, backgrounds and various work experiences. We provided information to them beforehand so they could make an informed contribution. They could weigh the options. They could think about the issues, unlike the Reform Party which asked people to simply check off which percentage and which columns they would like to have done.

Through discussion we reached consensus on many issues and we had good debate and the debate continues on some others. My constituents thought long and hard about the issues. They offered their considered input.

They did not want to have tax increases without government showing leadership and taking responsible action. They indicated, and I certainly support them, constituents give us their precious tax dollars and it is our job to make it work. We must bring some accountability to the process.

There was clear support among participants that spending cuts were inevitable. They asked us to take a good look at our existing programs and the funding mechanisms for them.

In other areas there was no consensus reached. These are complex issues and Canadians are thinking hard about them. The budget addressed my constituents' concerns.

There are some false perceptions out there and perhaps they serve some people's purposes. There is a false perception Canadians are excessively burdened by taxes compared with citizens of other countries. This is wrong.

• (1350)

The hon. member for Beaver River is on record as saying we are among the highest taxed people in the world. This is wrong. Canadian taxes as a percentage of economic activity fall below the average for the 24 industrialized nations of the OECD. However, that kind of statement does not take into account the services Canadians get in return for their hard earned tax dollars.

We must deliver value for money. One great example is our entire medicare program. Even so, Canadians and Burlington residents agreed personal income tax rates should not be raised. The government listened and there were no tax increases.

We are achieving our goals for deficit and debt reduction, but not on the backs of individual Canadians. Our solutions are focused. They are good, efficient government instead of increased taxation.

Canadians recognized difficult decisions had to be made while at the same time it was critical we make strategic investments, that we be smart about where we are going to spend money for the future and to balance our budget.

The Reform Party is quoted in the Calgary *Herald*, February 7: "Reform for its part would rapidly slash government spending as to create a fiscal balance while creating a huge social deficit in the form of greater unemployment and social polarization". This is not the Canada we want.

Our approach is to cut in a fair manner, to lead by example by looking at where to cut in government first. By reducing government spending and undertaking a full program review we have taken the responsible approach. The budget has a 7:1 ratio of spending cuts to revenue increases. These steps will lead the country into a brighter economic future. We are redefining the role of government.

In the area of unemployment Burlington residents are concerned about their neighbours, both in our community and in the broader Canadian context. People must get back to work. The budget continues with our Liberal four-point agenda for jobs and growth. New programs are being developed to ensure people acquire more skills, the youth internship program, the youth service corps. We must address youth unemployment particularly and the school to work transition. We must invest in our future generations now.

Burlington residents suggested the best way to improve job creation is to implement apprenticeship programs, keep pace with innovation and with changes in technology, encourage education and training, encourage free enterprise, eliminate bureaucratic paper work, especially for small businesses. The budget is connected to all our initiatives as a government and to our policies like the social security review.

The area of technology is important. We must be innovative. We must be ready for the future. We must spend wisely and work within our fiscal means. R and D is encouraged through the research and experimental tax incentive, one of the most generous tax incentives in the world. However, it is important it is not abused, and so we have moved to change that.

In the area of small business we must continue to invest in people and in growth. The 1994 budget undertook a small business policy review, realizing entrepreneurs are responsible for creating the majority of new jobs in Canada and for moving our economy forward. With consultation and the release of the report "Building a More Innovative Economy" we have received input from Canadians about how to proceed. The challenge of access to capital remains.

The 1995 budget encourages banks to do a better job of lending to small businesses by encouraging government to work with the banks to develop appropriate benchmarks. These must be achieved.

In my riding of Burlington our local economy is vital and continues to grow. We have many diverse, successful small and medium size businesses such as Colette's Café and Toshiba Office Product Centre, employing a small number of people but growing.

There are many more people, young and old, experienced and inexperienced, who have excellent ideas, great initiative and full support from their friends and families. All they need is financial backing. These are the people who are creating jobs in Canada. These are the people whose entrepreneurial spirit we must foster. They are creating the environment and the jobs for future generations. The government is committed to ensuring they do that.

We are committed to ensuring Burlington and all Canadian businesses are able to succeed, to grow and to add to their employee base. We have fine examples like the companies that started small, Zenon Environmental, Gennum, Thompson–Gordon and Laidlaw. They are leaders in the world in their own fields.

• (1355)

The 1995 budget also put some things in context for Canadians. Our inflation was the lowest of the G–7 nations and our economy grew at a rate of 4.25 per cent, the fastest of the G–7 nations.

Our export growth is strong; 433,000 full time jobs have been created since January 1994. The unemployment rate has fallen by 1.7 percentage points. Our cost competitiveness is the highest in 40 years and yet we remain burdened by high national debt and continue to pay off our interest.

There is optimism. Canadians know we have a rational plan for deficit reduction. We are taking the right steps. We will achieve our deficit targets. In the last year we not only achieved them, we surpassed them by $4.2 billion. We aspired confidence.

Now is the time for hard decisions. We must make forward thinking investments for the future. Our aim is sustainable jobs and growth, with sensitive cuts and responsible spending.

The budget shows our commitment to future generations. We cannot stand idle by the impact of our decisions or past actions. We must not squander limited resources, but use them in an intelligent and effective manner.

Precious Canadian taxpayers' dollars must be put to work effectively. This budget is a terrific step in that plan of action. Canadians are the winners in this budget. They made their voices heard and this budget is there because of them.

I thank the many residents of Burlington who participated in this process. We are all winners. We will have a stronger nation. We will all have better lives.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I was overwhelmed by the speech of my colleagues about these mean Reformers here. There is a bit of paranoia among the government members about the budget.

There are a couple of things in particular about her speech that are really intriguing to me. The hon. member suggests the government is going to meet its targets and Canada will be forever thankful when the Liberals meet their targets, three per cent of GDP, approximately $25 billion a year. We would really like to thank this government at the end of its budget exercise for overspending by $25 billion a year. Somehow I am not sure a lot of folks out there think much of that.

What is the idea of overspending by $25 billion a year? Is that is a good idea or a bad idea?

Would the hon. member justify how this Liberal government can mess around with MPs' pensions and come up with $4 million on the old plan and $3.16 million in the new plan, like the minister of immigration. How can they justify that and cut all the other programs back? Maybe they could get rid of the paranoia over there.

The Speaker: Like many members, I am interested in paranoia. I am going to let the hon. member think about it for a bit. She will have the floor when we come after question period.

It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

INTERNET

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, on Tuesday, March 7, 1995 Ernst Zundel, a leading Nazi propagandist, confirmed to the *Globe and Mail* that he is preparing a link to the global information network through a computer to be based in the U.S. or Europe.

His plans for Internet include posting the transcripts of his trials as well as material regarding the second world war, what the Canadian Jewish Congress calls Holocaust denial material.

Mr. Zundel's plan shows why it is necessary to regulate Internet. Other media outlets are accountable to someone. Internet is not.

I urge the House to condemn Ernst Zundel and Zundels afterward for racist and hate mongering activities. All members of the House must stand together and send a loud and clear message that promotion of hatred against any identifiable group is unacceptable and will not be tolerated by Canadians.

* * *

[*Translation*]

VIOLENCE AGAINST WOMEN

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, to our dismay and indignation, we heard yesterday that Algerian Islamic fundamentalists took another young girl as the innocent victim of the intolerance that now rocks that country.

Since five leaders of the Islamic Front were sentenced to death by a symbolic tribunal of women gathered in Algiers to commemorate International Women's Day, other innocent women have been slaughtered.

The list of Algerian girls and women assassinated, tortured and raped by fundamentalists is getting longer as the months go by. The official tally of women assassinated by armed fundamentalists between the months of August 1993 and December 1994 is 112, including 6 students.

As parliamentarians, we insist on denouncing in the strongest terms possible these gratuitous and premeditated murders which violate the most basic rights of Algerians and which deprive them of the hope of being free and safe in their own country.

* * *

[*English*]

FORUM FOR YOUNG CANADIANS

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I rise to give tribute to the Forum for Young Canadians and its participants who, as hon. members will know, are in Ottawa this week to learn more about the process of government at the federal level.

I know all members will join me in praising the organizers, the sponsors and the many volunteers who make this annual event possible. Special tribute goes to each one of the participants, our future leaders and in particular to my young constituents, Tashia Davalovsky and Lisa De Hoog.

I am sure all members will join me in welcoming them and wishing them the best in their visit to Ottawa.

* * *

MINING INDUSTRY

Ms. Hedy Fry (Vancouver Centre, Lib.): Mr. Speaker, we all believe that developing a strong economic base for this country is the key to global competitiveness.

As a British Columbian, I urge the members of this House to recognize the importance of the mining industry to all Canadians. The government's 1995 budget made a first step toward improving our mining industry's ability to maintain and create jobs for Canadians.

Besides providing 400,000 direct and indirect jobs in Canada, mining sustains 150 Canadian communities and their one million residents, thus having a great impact on their daily lives in future.

Besides adding $10 billion to our annual trade balance, mining contributes $20 billion a year to the Canadian economy and accounts for 14.8 per cent of Canada's total exports. Mining is therefore a key engine for the export driven economy, jobs and growth benefiting all of Canada and not only those who live in mining regions.

Canada is seen by the rest of the world to be a country blessed with the wealth of natural resources. The interest and support of this House in developing an environmentally sound and sustainable mining industry—

PATRICIA MCCRAW

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, on March 8, Guelph—Wellington Liberals met to elect a new president for the Guelph—Wellington Federal Liberal Association. At this meeting we also paid tribute to outgoing president, Patricia McCraw.

Patricia has been a longstanding member of the Liberal Party at both the federal and provincial levels. She has worked hard for her party and her country. Besides her work in politics, she volunteers for many organizations, including Canadian Save the Children.

Patricia's work and dedication has again proven that liberalism is more than a political party. First and foremost it is people, people who care deeply about Canada, people who are never satisfied with the status quo and who work hard to make their country the best in the world.

I join Pat's family and her many friends in thanking her for her service to our association and her commitment to me as member of Parliament. Well done, Pat.

* * *

JUDY FELD CARR

Mr. Jim Peterson (Willowdale, Lib.): Mr. Speaker, the recent history of Syrian Jewry has been one of terror and bitter repression.

This grotesque chapter of modern history is now thankfully closed, due to the efforts of one Canadian, Judy Feld Carr. Over the past 23 years, she has worked unceasingly and surreptitiously to build an underground railway. She has raised funds to sustain these hostages, co–opt officials and to pay ransom. Because of her, 2,500 Syrian Jews are now free.

Judy Feld Carr and all those who supported her deserve our praise, our gratitude and our thanks. When this heroic story is fully told, may it inspire others to realize that one person can make a difference. Judy, you have made a difference, an incredible difference. You have earned a place in our hearts and in the history of humanity.

* * *

● (1405)

[*Translation*]

ARTISTS FOR SOVEREIGNTY

Mrs. Madeleine Dalphond–Guiral (Laval–Centre, BQ): Mr. Speaker, yesterday a number of Quebec artists spoke out in support of Quebec's march to sovereignty.

These artists wanted to express publicly their determination to see Quebec become a country. Singer Paul Piché delivered a clear message to Quebecers: "We know you. We imitate you.

desires and your hopes. We have faith in you. You can have faith in us; you are entitled".

The Bloc Quebecois is delighted by the artists' action, inspired not by political affiliation, but by a desire to express their profound convictions and to share, with their fellow Quebecers, aspirations that go well beyond the political.

* * *

[*English*]

COPYRIGHT ACT

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I rise on behalf of the constituents of Okanagan—Similkameen—Merritt and local radio stations in my riding to warn the Minister of Canadian Heritage that his actions will kill jobs and small businesses.

The people I represent are suspicious that once again the Liberal government is attempting to fool Canadians, this time by introducing amendments to the Copyright Act. What the Liberals are really trying to do with neighbouring rights is to foist a killer tax on local radio stations.

The Minister of Canadian Heritage is silently planning to kill locally owned radio stations. They already pay royalties to authors and composers of music aired on their stations. Additional fees to performers and record companies is unjust.

Broadcasters maintain that free air play is what creates Canadian stars and sells records, not a Liberal government tax hidden in a bill of amendments. Canadians are confident that our culture can develop and grow without the Liberal government intervening with a radio station killer tax.

* * *

CARLETON CIVIC CENTRE

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, on the afternoon of Thursday, March 16, 1995 the Carleton Civic Centre will officially open its doors in Woodstock, New Brunswick. It is a wonderful new facility that will be enjoyed by the area's citizens for many years to come.

While this is wonderful news, the even more important component has been the method in which the goal of completing this facility has been realized. It is important to note that the completion of this project was achieved through true partnership. This partnership included groups, organizations, businesses, individuals, surrounding communities, as well as all three levels of government.

I congratulate the Carleton Civic Centre committee and all those who contributed to the success of this most worthy project.

S. O. 31

MANITOBA SPORTS TEAMS

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, I rise in recognition of two recent Canadian championship teams from Manitoba.

This past weekend Mr. Kerry Burtnyk and his team members, Keith Fenton, Rob Meakin who is a constituent of mine, and Jeff Ryan captured the brier in Halifax. It was Burtnyk's second win. He first won the brier 14 years ago. Mr. Burtnyk and his team will go on to represent Canada at the world curling championships in Brandon beginning on April 8. We wish him and his teammates the very best of luck.

I also wish to give my wholehearted congratulations to the University of Winnipeg Wesman women's basketball team. They won their third consecutive university championship this past weekend. The Wesman beat the University of Manitoba Bison squad 72 to 61. A healthy rivalry exists between these two teams. In fact it was earlier this year that the Bisons ended the Wesman's world record setting 88 game winning streak.

These athletes deserve recognition for their skill.

[*Translation*]

These athletes are champions; these Canadians are a source of inspiration to us all.

* * *

[*English*]

GUN CONTROL

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, come with me now to those wonderful days of yesteryear, back to the days when the NDP thought themselves a force to be reckoned with.

Where are the NDP members today? Well, I will tell you that eight out of nine members of the NDP caucus are going to vote against gun control.

I look to the left and see Buzz Hargrove and the CAW. They support gun control. I look to the left and see Bob White and the CLC. They support gun control. I look to the mainstream and 80 per cent of Canadians are what I see. They support gun control.

• (1410)

Where are the NDP? Oh, there they are on the right.

The Speaker: I see the NDP.

* * *

CUBA

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, speaking from the left, Canada has maintained unbroken diplomatic relations with Cuba for 50 years and has established important trade and investment links with Cuba.

The U.S. government and Congress have imposed an illegal and immoral blockade in Cuba. Now U.S. Senator Jesse Helms, chair of the foreign relations committee, is trying to target foreigners, including Canadians, who invest in Cuba, barring entry to the U.S. and cutting off preferential trade rights.

I call upon the Government of Canada to strongly condemn and lobby against this bill which would have a particularly grave impact on sugar product exports to the U.S. and investment projects in Cuba.

The Helms bill has been referred to as the Canada bashing act of 1995 by Cuban expert Jorge Dominguez of Harvard University.

Finally, the leader of the Reform Party may wish to raise this issue with his political soulmate Newt Gingrich during this love–in in Washington today.

* * *

[*Translation*]

QUEBEC SOVEREIGNTY

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, in a study by the highly reputable firm of Rogers and Wells of New York, commissioned by the Government of Quebec, lawyers David Bernstein and William Silverman concluded that Canadian–American trade rules would not change with Quebec sovereignty.

According to these experts, the United States would renew Canadian–American treaties with Quebec, including the free trade agreement, in order to protect their economic interests.

Therefore, the rest of Canada will have nothing to say about trade between Quebec and the United States and even less effect on preventing Quebec from enjoying the benefits of the free trade agreement.

In other words, the day after sovereignty in Quebec, it will be business as usual.

* * *

[*English*]

CURLING CHAMPIONSHIPS

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, it is a pleasure to rise in this House today to congratulate a fellow Manitoban on a great performance.

Manitoba's skip, Kerry Burtnyk, led his team to victory at the Canadian men's curling championships in Halifax over the weekend. The Manitoba team, which also includes Keith Fenton, Rob Meakin and Jeff Ryan, persevered through some tough competition to give Manitoba the Canadian men's curling championship.

This victory also solidifies Manitoba's claim to curling excellence. We now enjoy the men's and women's titles as well as the junior women's and men's titles.

Best of luck to the Manitoba squad at the upcoming world curling championships in Brandon starting April 8.

* * *

REFORM PARTY

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, the Reform Party has sent its boss to Washington to try and impress Republican leader Newt Gingrich with its brand of politics. This gives a whole new meaning to the expression "a meeting of the minds".

Let us read today's agenda for these public officials: Republican whip meeting, closed to the public; meeting with the undersecretary of state, no photo op; briefing with officials of the secretary of defence, no photo op; Concord Coalition briefing, closed; Progress and Freedom Foundation briefing, in camera. Finally, the leader of the Reform Party is enjoying a Heritage Foundation private luncheon and you guessed it, it is private.

We cannot understand why the leader of the third party prefers to have closed meetings. Yesterday, Washington reporters paid him the ultimate compliment by saying he was a Liberal.

* * *

[*Translation*]

PREMIER OF QUEBEC

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, during a press conference held at the end of the first day of the Parti Quebecois' caucus meeting, the Quebec premier stated that what the Martin budget says is that we will be pretty nice to you this year and that way we can be sure that you will be gullible enough to vote no. This statement is totally unacceptable.

By expressing himself in this way, Quebec's premier really shows how much he respects those who do not share his opinion. This deplorable comment is but one in a slew of pitiful and bigoted things that many separatist spokespersons have been saying recently.

• (1415)

After spending millions of dollars to give Quebecers a say in their future, with that statement alone, the premier totally negated the process's basis.

We are therefore obliged to state that separatists in Quebec only respect people who agree with them.

[*English*]

THE DEFICIT

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, we have asked and asked the Minister of Finance how long it will take to eliminate the deficit. He has been completely unable to give us an answer.

Now we discover that the President of the Treasury Board has it all under control. The year 2000 will be the year that Canadians will start to move out from under the deficit cloud, that is, if the cloud has not descended upon us by then.

The minister and his colleagues said they will "hum the same balanced budget tune". This is no time for a cowardly rendition of the "lower the deficit only if you can" song. It is time for the minister to produce the deficit requiem mass. By the way, would he please be sure to send a copy to the Minister of Finance as he seems to have been left out of the choir.

ORAL QUESTION PERIOD

[*Translation*]

NATIONAL DEBT

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, despite the spending cuts announced in the Budget, the government is faced with a substantial increase this year, from $42 billion to $50 billion, in the cost of servicing the debt. This increase is, of course, a direct consequence of our growing cumulative debt. In other words, the debt problem has not been addressed, despite the government's commitments.

My question is directed to the Minister of Finance. Will the minister confirm that even with the spending cuts announced in the Budget, the government's cumulative debt will total nearly $800 billion five years from now?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): No, Mr. Speaker, I believe the estimate given by the Leader of the Opposition is a little too pessimistic. We certainly intend to continue our efforts to put our fiscal house in order, but we did inherit a very substantial debt. In fact, that is why we took some very specific and very decisive steps in our latest Budget.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the figure I quoted is based on the data given in the Budget, on the minister's own figures over three years, projected according to the same parameters. He cannot deny those figures.

More specifically, I want to ask him whether he would agree that the debt problem will not be solved as long as nothing is done about the political structures of an ossified federal system that has turned Canada into a country that is overgoverned with, for instance, 40 per cent of federal spending targeted to areas that come under provincial jurisdiction?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, projections like those just made by the Leader of the Opposition are based on the assumption that the government does not intend to intervene. However, we have just made it quite clear that we intend to use budget after budget to introduce decisive measures to deal with the legacy we received from the previous government.

That being said, as far as government structures are concerned, we have again made it very clear in the Budget that we are capable of taking action in this respect. If anyone is in favour of the status quo, it is, unfortunately, the Leader of the Opposition and his party.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the minister was into his usual rhetoric, but I would remind him that the figures I just mentioned were computed directly on the basis of his own figures, assuming that he meets the objectives he has set, however inadequate they may be.

I want to ask him how he can deny the federal government's very obvious inflexibility, when we consider the $5 billion tax on employment, and I am referring to the surplus created by excessively high UI premiums, which the government will use to fund new incursions into the area of manpower training, instead of reducing UI premiums to stimulate job creation.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the Minister of Human Resources Development and I have said repeatedly that we plan to reduce unemployment insurance premiums. In fact, one of the first announcements the minister made a year ago was in that vein.

• (1420)

Yes, we are creating a surplus, but I would have thought the Leader of the Opposition would welcome that. We inherited an incredible deficit, and we are turning it into a surplus. That is quite a feat.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, once again, the Minister of Finance has delayed the needed reform of the Canadian tax system instead of ensuring that all taxpayers and corporations pay their fair share of taxes. He chose once again to go after the middle class and the most disadvantaged in trying to address his deficit problem.

Given the extent of his budget problem, how can the minister deliberately spare the banks, which made over $4 billion in profits last year, by requiring from them a symbolic, temporary effort of only $100 million?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the $100 million tax is in addition to the large corporations tax, which we raised in our last budget. There is also the corporate tax that the banks are paying. I must point out to the hon. member that, if we look at government revenues, the fastest growing source of revenue is the taxes collected from large corporations.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the minister tells us that he has asked the banks to make an effort, so I would remind him that the effort he requires from the unemployed is 120 times bigger than for the banks.

An hon. member: Shame!

Mr. Loubier: One hundred and twenty times bigger! That is his definition of fairness. So the question I am asking him is this: How does the minister explain his refusal to honour his election commitment, as reported in the *Globe and Mail*, to establish a real minimum tax on corporate profits, when CP, with profits of $422 million, did not pay a single cent in tax?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, first of all, there is a minimum corporate tax, which, incidentally, we increased in our last budget. I must, however, tell you that we did not raise personal taxes in our last budget, and I would ask the hon. member to tell the chief of the head office in Quebec City, Mr. Parizeau, not to raise personal taxes, as he threatened to do a couple of days ago.

* * *

[*English*]

LABOUR

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, my question is for the Minister of Labour.

The current railway labour dispute is now a national lockout. West coast ports are also shut down due to a longshoremen's strike. Every few years we go through this fiasco where both sides know back to work legislation is inevitable. Unfortunately Canadian jobs and other industries are at stake.

Will the minister put an end to this charade and legislate everyone back to work now?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, we must look at each work situation from a different perspective and not lump airports, harbours and railways all together. They are different companies and labour relations vary from one to the other.

We are keeping abreast of these situations. As you know, Mr. Speaker, regarding railways, even CP was able to reach an agreement in principle with some workers. The situation which is of most concern to me now is that of the port of Vancouver, which we are following on an hourly basis, and I hope that the parties will go back to the negotiating table.

[*English*]

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the Minister of Labour may have time to wait to sort this out but Canadian farmers do not.

Present shipments are in danger. They must plan for future crops now and should not have to worry about whether the rail system will be there when they need it.

I ask the minister again. When will the government introduce back to work legislation? When?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, I would like to ask the Reform member to remain calm and to refrain from spreading panic among the parties concerned. As we speak, grain is moving in the west, in Vancouver this very day.

• (1425)

We should keep in contact with the parties and keep in mind that it is always better to negotiate an agreement than to envision legislating these people back to work.

[*English*]

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, we have been calm far too long. When is the time to get nervous? It is right now. To date there have been 13 work stoppages in 29 years. Our western grain growers cannot afford to bear the brunt of another strike. Canada's transportation system must be reliable or our customers will go elsewhere.

Once the back to work legislation is passed, will the government take steps to ensure the threat of future rail strikes is removed once and for all?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, as usual, the hon. member is going a bit too fast. At this stage, legislation is out of the question, so I will not answer hypothetical questions.

* * *

FISHERIES

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is for the Minister of Foreign Affairs. The stalemate persists in the dispute over turbot fishing opposing Canada and the European Union. Yesterday, the Minister of Foreign Affairs

listed a number of diplomatic avenues to reopen discussions with EU officials.

Can the Minister of Foreign Affairs inform us of the outcome of the diplomatic initiatives mentioned yesterday and whether these initiatives will get things moving again, so that the dispute can be settled?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, we certainly intend to pursue as far as possible the diplomatic initiatives under way. The Canadian government's commitment to protect fishery resources threatened by overfishing could not be clearer. I can assure the hon. member that the Government of Canada will not go back on this commitment.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, as part of these diplomatic initiatives, is the Minister of Foreign Affairs contemplating travelling himself to Brussels to defend Canada's position and try to reopen discussions with EU countries?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I am flattered by the hon. member's suggestion. Obviously, should my presence be required to achieve a negotiated settlement in this dispute, I will gladly do so. But for the time being, I think that the government officials responsible for that sort of thing are doing a fine job and will succeed in coming to an agreement with our European Union friends.

* * *

[*English*]

CANADA POST

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, my question is for the Prime Minister. Recently some very serious allegations concerning possible conflict of interest in the post office have come to our attention. It seems that a Liberal senator and the chairman and president of Canada Post are closely linked to the Ottawa developer who built the new Canada Post building.

I would like to ask the Prime Minister whether he will instruct the ethics counsellor to investigate this very serious issue.

[*Translation*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the question relates to something which occurred before this government took office.

[*English*]

I would also like to say that the CBC, which made the allegation, apologized to the person concerned.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, this is a very serious allegation. It calls for immediate action. Within weeks of winning this lucrative Canada Post contract, the developer, Mr. José Perez, was billed $59,000 to finance the racing career of the son of the Canada Post chairman. At the same time, the Liberal senator was billing Mr. Perez $60,000 per year for business advice.

I ask again. Will the Prime Minister undertake to ask the ethics counsellor to investigate, give a full accounting to the House and open up these allegations?

• (1430)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I just said that the problem was a problem of management of the previous administration. It is not a problem that occurred before we formed the government. At that time there were no ethics counsellors. I do not know if it is my job to get the ethics counsellor to look into the file.

If the member has accusations to make, he can make them outside the House and face the consequences. The CBC apologized because it had a reason to apologize. I do not think it was a well founded accusation, but if the member wants to make an accusation he can make an accusation and face the responsibility of making such accusations.

* * *

[*Translation*]

REFERENDUM ON QUEBEC SOVEREIGNTY

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage. Mr. Jacques Michaud, the acting spokesperson for the Fédération des communautés francophones et acadienne du Canada, asked Quebecers to vote "no" in the referendum, arguing that they can thrive more fully by remaining within Canada.

Some hon. members: Hear, hear.

Mrs. Tremblay: Will the Minister of Canadian Heritage confirm that his government has just granted a special, additional $500,000 subsidy to defend the federalist cause during the referendum campaign in Quebec?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, not so long ago, the hon. member accused the heritage minister of not supporting the French-speaking and Acadian communities adequately. But we are doing that. We are doing it to preserve the French language, in compliance with the Official Languages Act, and also the culture of these communities, and we will continue to do so.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, it is a good thing that I have taken the floor, otherwise I wonder what the minister would tell me.

Will the heritage minister admit that the only purpose of this specific $500,000 subsidy granted to the Fédération des communautés francophones et acadienne is to convince certain spokespersons of these communities to serve the federalist cause, by using public funds?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the hon. member would be well advised to refrain from making accusations in this House. She is saying that these communities are selling their support and she is condemning them for doing so. This is shameful.

Some hon. members: Hear, hear.

* * *

[*English*]

PENSIONS

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, my question is for the President of the Treasury Board.

During this time of government downsizing we have heard a lot of talk about fairness and equity. However today we read in the papers about an example that does not seem too fair at all. It is a special retirement allowance for deputy ministers. On top of the regular public service pension, deputy ministers get an extra 2 per cent per year without paying a cent of their own. That could be an extra $30,000 a year for life.

Why do the government and the minister hand out golden treasure to the top executives but give a lump of coal to the rest of the public service?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, there is certainly no lump of coal to the rest of the public service. We treat them fairly and equitably. We will certainly be doing that in the downsizing exercise.

The program was brought in by the previous government in 1988 because at the time it wanted to attract more people from the private sector to become deputy ministers. The private sector said: "You are not competitive in terms of your salaries". It said: "We will take the additional pension allowance as being part of a total compensation package and will help attract people from the private sector into deputy minister positions". That is the reason the government brought in the program.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, it does sound strangely like MP pension plans.

The government actually on that one refused to take its nose out of the trough. Now on the deputy minister level we find that there is also a two–tier system depending on which level of the public service one belongs to.

For the sake of morale in the public service and for the sake of the fairness and equity the government claims, it should cancel the program that gives extra benefits to top executives and make it the same for all public servants as it should be.

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, a number of representatives of the private sector advised the government of the day on this matter. They said: "If you really want to attract top people to serve the public of Canada you are going to have to be competitive, and your salaries are not competitive".

● (1435)

We have to look at it from a total compensation package point of view. On that basis that is why it has been offered to senior deputy ministers.

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[*Translation*]

INTERNATIONAL ASSISTANCE

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, my question is for the Minister of Foreign Affairs.

In its budget, the government announces a substantial cut in international development assistance, in particular food aid to the poorest countries on earth. In fact, it is reducing by 16 per cent the multilateral and bilateral food aid budget, which will fall from $300 million to $250 million this year.

How does the Minister of Foreign Affairs reconcile Canada's substantial cuts to its international assistance budget with the support it gave to increasing development aid to the poorest countries at the Copenhagen summit on social development?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the hon. member's question is about the same as that asked by one of his colleagues yesterday. In response to that question, I said that the Government of Canada had two ways of providing food aid: through its multilateral programs and through its bilateral programs.

The figures quoted by the hon. member refer to only one form of food aid. He does not have the total picture on government spending in this regard. If he combines expenditures in both bilateral and multilateral programs, he will see that our contribution remains the same.

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, how does the minister justify such a substantial reduction in its direct assistance to the poorest countries even before completing the reform of CIDA recommended by the Auditor General of Canada?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I would like the hon. member to come and read carefully two questions that were prepared by his research office. He does not have to listen to my reply, but I must remind him that he should read it; he would then have the answer to his second question.

IRVING WHALE

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, my question is for the Minister of the Environment.

After hearing the hon. member for Bonaventure—Îles–de–la–Madeleine, can the minister assure this House today that refloating the Irving Whale, the barge that sank off the coast of the Magdalen Islands in 1970, does not pose an environmental threat to Magdalen Islands fishermen and residents?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I was expecting this question from the official opposition, but since it was not forthcoming—

Some hon. members: Oh, oh!

Ms. Copps: I just wanted to remind hon. members that the first report proposing salvage measures, proposed in 1989, was rejected by the then Minister of the Environment.

I am very pleased to report that, since we came to power, 24 years after the incident occurred and six years after the first report was presented to the former environment minister—the hon. member for Lac–Saint–Jean—action will finally be taken this spring. We have opted for the alternative that was the least expensive and the safest for the residents of the Magdalen Islands and Prince Edward Island.

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[*English*]

FOREIGN AFFAIRS

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

The Liberals seem to have different rules for Canada's elite. Last night it was reported that children of diplomats and senior military officials were attending expensive private schools all around the world and the taxpayers were footing the bill for this extravagance.

Will the government commit to immediately bringing this benefit in line with similar benefits in the private sector?

• (1440)

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): The answer, Mr. Speaker, is that we do exactly that. It is quite clear that the children of those serving abroad have to attend schools that follow a curriculum which will allow them to continue their classes when they come back to Canada.

Canadian diplomats are receiving nothing more than diplomats of other countries. If the children of Canadian business representatives abroad are going to school, they are going to exactly the same schools as the children of our diplomats.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I thank the hon. minister for his response. However the foreign services directive indicates that there is a double standard. Students are given three taxpayer funded flights a year. Students are even going to school on the French Riviera. These perks are more lucrative than in the private sector.

Not only is there a two–tier pension plan but we learn there is now a two–tier education plan: one for ordinary Canadians and one for the Canadian elite.

Does the minister not understand that Canadians will no longer tolerate these Liberal double standards for the Canadian elite?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I welcome the suggestion of the hon. member to review the treatment offered to children of our people who are abroad.

I challenge her to verify the allegations she is making here which I think are totally unfounded. It is very nice to take her lead from a very biased report that does not take reality into account.

* * *

[*Translation*]

NATIONAL DEFENCE

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Minister of National Defence.

We have learned that the number of francophones applying to become Canadian Forces officers dropped drastically after the closure of the military college in Saint–Jean was announced. Applications are down to 102 this year from 243 last year, a drop of more than 50 per cent.

Does the Minister of National Defence recognize that, as we had predicted, closing the military college in Saint–Jean will have the effect of discouraging francophones from becoming Canadian Forces officers because they can no longer train in their own environment and in French, as they could in Saint–Jean?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I would like to inform the House that recruitment for the armed forces is down right across the country. One of the reasons is that the economy is buoyant.

Historically when times are rough there is obviously less competition for the various places. As a result of improvement

in the economy we find that the normal group of people who would be attracted to the armed forces has found other options.

With respect to Quebec, recruitment is down about 50 per cent overall. It is down 40 per cent in Ontario. It is down about 20 per cent in the west. It is about even in the Atlantic region.

I should say that part of the problem concerning recruitment to the military college was due to the uncertainty as to what would happen with young students coming out of high schools in Quebec. That uncertainty was created because of the opposition tactics by the official opposition and the government in Quebec City that refused to accept the agreement originally signed by the former Government of Quebec.

Now that we have the agreement in place and now that the parents of francophone students in Quebec know what is going to happen, we believe recruitment will pick up in the next few weeks and we will meet our target very shortly.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, I find the minister's answer extraordinary.

Does the Minister of National Defence recognize that the sharp drop in francophone officer candidate enrolment will inevitably aggravate the already serious problem of francophone under–representation in the senior ranks of the Canadian Armed Forces, thereby compounding the unfair treatment of Quebec?

• (1445)

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I find it extraordinary that the hon. member did not listen to my answer.

Because of the uncertainty surrounding the disposition of the site of the former College at St–Jean, the advertising for those students specifically in Quebec was delayed a number of weeks. Now that we have a deal that was signed a few weeks ago we know what exactly is available. Those students coming out of high schools in Quebec can take the prep year at the new civil institution in St–Jean.

In the last few days we have been heartened by what we have seen. Recruitment is picking up. It was merely delayed.

The hon. member talks about the decline in francophones overall in the armed forces. That is not borne out by the facts. About 27 per cent of members of the armed forces are francophone and fully 24 per cent of all senior officers are francophone, and that will continue.

IMMIGRATION

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, a shocking document has been released to the Vancouver *Sun*, the concluding document of immigration consultations in B.C. in which the minister's employees say the following: "We go about congratulating ourselves for our overexuberant acceptance of bogus refugees while the rest of the world snickers at us for the suckers we are. The lawyers are making a circus out of refugee claims".

The minister ignores Canadians, experts and the Reform Party. Will he also ignore his own employees or will he make change?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I do not know where this member has been for the last little while, but this government has made a number of reforms not only to the immigration procedure but also to legislation like Bill C–44. Reforms to the IRB were announced last week. He was upset that we announced them during the budget process.

However, this government has moved on both IRB and immigration procedures. We support immigration. Immigration is positive for this country regardless of what this member and his party stand for.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, if the minister needs more suggestions for change than those we have offered already, here is what his own employees have to say: "End inland refugee claims. Limit family reunification. End official multiculturalism and make personal suitability the key criterion for immigration to Canada".

Why did the minister hide this damning document? Will he admit that last summer's consultations were as bogus as the refugee system he so ardently defends?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I cannot hide a document I have never seen. My department and my government do not stand for the comments he has made.

The answer to his request is no. This party is bogus to the reality of Canada and does not know how this country has been built. If it did it would not have the temerity to suggest what it does day in and day out.

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CANADIAN WHEAT BOARD

Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.): Mr. Speaker, today in Washington the leader of the third party denigrated the Canadian Wheat Board.

Many Canadian farmers know they produce high quality products and that the wheat board has greatly assisted Canada's

success in the grain trade. The farmers are deeply concerned about these remarks made by the leader of the third party.

Do the views expressed by the leader of the third party reflect in any way the views of the federal government?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, the leader of the Reform Party is as much of a diplomatic disappointment in Washington as he is a political disappointment in Canada.

I want to assure the hon. member that the leader of the Reform Party in no way speaks for the Government of Canada. The Canadian Wheat Board is and always has been a fair international trading agency, as multiple studies by the United States have demonstrated. Decisions about Canadian grain marketing systems and policies will be made in Canada by Canadians, not in any foreign capital.

* * *

• (1450)

CANADIAN NATIONAL

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, my question is for the Minister of Finance.

The Minister of Finance was in Winnipeg recently speaking to the Winnipeg Chamber of Commerce. I understand he was asked a question about the status of CN pensions.

Would he say here in the House today what he is reported to have said at that meeting, that under any circumstances of privatization of CN that may happen in the future, pensions of CN pensioners will be guaranteed by the Government of Canada and CN pensioners have nothing to fear from privatization? Will he put that on the record here today?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, in dealing with the commercialisation of CN obviously we are going to take into account everything important to Canadians and the employees of CN. I want to reassure my hon. friend that as the process unfolds the interests of everyone involved will be protected to the extent that we can.

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, why is the Minister of Finance not willing to state today on the record what he is reported to have said at that meeting in Winnipeg, that the pensions of CN pensioners would be guaranteed by the Government of Canada?

Get up and say it so people do not have to worry about their pensions. Say what you said in Winnipeg. Never mind him, I asked—

The Speaker: All questions should be put through the Chair.

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I understand the hon. member's frustration because we have all read of his experience at a meeting he attended to discuss financial matters in the west not very long ago. He only lasted, I am told, some five or ten minutes when they asked him to leave. It is obvious why one would do that.

With respect to the commercialisation of Canadian National, we understand the concerns of the pensioners of CN, the concerns of the employees. We also understand how important it is to taxpayers and to people across the country to have a viable enterprise, operating a coast to coast railroad.

The difference between what the government will do and what the hon. member and his party usually do is that they talk about doing things, we get them done to protect those interests which he considers important.

* * *

[*Translation*]

AIR TRANSPORTATION

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, after months of procrastination, the Minister of Transport announced on Friday that Air Canada would be authorized to take advantage of the lucrative Hong Kong market. However, the minister's decision comes quite late, since there is less than a week left to negotiate arrangements for this year with Hong Kong officials.

Will the minister agree that the delay in designating Air Canada as the second carrier to Hong Kong is the only reason which could keep that airline from exploiting this lucrative market during the peak summer season?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, it took years of negotiations to provide Air Canada with an opportunity to fly to Asia. As you know, in January of last year, Air Canada was granted access to Kansai airport, in Japan.

This year, we managed to obtain landing rights in New York and in Chicago. We also made the decision to give Air Canada access to Hong Kong.

I realize that this is painful for opposition members, but I do accept the praises of Hollis Harris, who says that this decision is fair.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, regarding the same issue, I ask the Minister of Foreign Affairs whether he can confirm that negotiating four weekly flights for Air Canada is indeed a priority for the Canadian team which is currently negotiating with Hong Kong officials?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the entire question of providing Canadian travellers, business people and tourists with access to and from Hong Kong is one which this government has worked on since the time it came to office.

• (1455)

It is extremely important that Canadian Airlines International have access to Frankfurt, that we open the routes that have been awarded to the Philippines, to Malaysia, to Vietnam. We have signed a bilateral agreement with the United States.

It is a priority of this government to negotiate arrangements to give access to Air Canada at Hong Kong.

If the member were the least bit fair about this he would look over the last 14 months at what has occurred in the aviation industry in Canada and he would probably recognize that more progress has been made in 14 months than in the previous 15 years.

* * *

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, the Minister of Justice will be at a meeting in Manitoba tonight at the request of Dauphin—Swan River constituents concerned about Bill C–68.

I have been advised that there are hundreds of people who will be denied entrance to this meeting.

Why is the justice minister meeting behind closed doors with only 50 or so people who are attending on an invitation only basis when there are hundreds who want to attend this meeting? Why is the justice minister refusing to meet with these people? Why is he locking them out of this meeting?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, every member of the House knows no minister has been consulting with the Canadian people more than the Minister of Justice.

He is doing it so well that there are plenty of demands for meetings with him. Obviously he cannot meet with everybody. I know the Minister of Justice has never refused good consultations on problems presented to the House. He has put forth more propositions for meaningful changes in his field in the last 14 months than I have ever seen.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, this is not the first time the justice minister has locked people out of his meetings. In Calgary last January there were more people standing outside the meeting in the cold than inside the building.

Will the Prime Minister instruct his justice minister to begin to listen to the people and meet their concerns about his gun control bill and stop locking them out of meetings?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the hon. member is completely wrong.

As the Prime Minister has said, no minister in recent years has met more regularly and more diligently than the Minister of Justice, particularly on the gun control issue.

He used his whole summer to go from coast to coast to speak with Canadians, to inform them of what he intended to do, to get their feedback and to get information in order to prepare this piece of legislation.

No one could ask for more.

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[*Translation*]

UNEMPLOYMENT INSURANCE

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, my question is directed to the Minister of Human Resources Development.

Canadians and, more specifically, Quebecers, have been telling us they want more effective programs and an end to overlap and duplication with the provinces.

What steps has the minister taken through the Unemployment Insurance Program to eliminate wasteful spending of public funds?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we are working very hard on a number of projects with the provinces to reduce duplication and overlap. For instance, we signed four agreements with the provinces to protect UI information and achieve substantial savings in spending on social services in each province.

In fact, I believe Mrs. Blackburn, the Quebec Minister of Income Security, is prepared to review the UI system in order to cut costs for her department. I hope this will be one example of close co–operation between the federal government and the provincial governments on reducing the cost of social services.

* * *

[*English*]

BASE CLOSURES

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, my question is for the Minister responsible for ACOA.

• (1500)

Will the minister advise the House how he can justify cutting a $30 million trust fund by $10 million? This trust fund was specifically transferred from the Department of National Defence and earmarked for the Atlantic communities affected by the base closures announced in the 1994 budget. What steps will the minister take to correct this situation?

Mr. Réginald Bélair (Parliamentary Secretary to Minister of Public Works and Government Services, Lib.): Mr. Speaker, I will take the question under advisement and relay it to the minister. She will get an answer in writing.

The Speaker: I have a point of order from the hon. member for Prince George—Bulkley Valley.

* * *

POINTS OF ORDER

COMMENTS DURING DEBATE

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I rise on a point of order. On March 1 in the House I mistakenly stated that the member for London—Middlesex had made unacceptable comments about the children of the member for Medicine Hat.

It was the member for Victoria—Haliburton who made these remarks and not the member for London—Middlesex. I wish to apologize to the member for London—Middlesex.

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, I would like to take this opportunity to thank my hon. colleague for his apology. I was surprised how I could have been in the House at that time insulting anyone since it was my privilege to be having lunch with some other colleagues—with the Prime Minister—that day.

I appreciate his clarifying the record.

* * *

[*Translation*]

WAYS AND MEANS

TABLING OF NOTICE OF MOTION

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, pursuant to the provisions of Standing Order 83(1), I have the honour to lay upon the Table a Notice of Ways and Means motion concerning certain measures announced in the February 1995 budget. I ask that you designate an Order of the Day for the consideration of the said motion.

GOVERNMENT ORDERS

[*English*]

THE BUDGET

FINANCIAL STATEMENT OF MINISTER OF FINANCE

The House resumed consideration of the motion that this House approves in general the budgetary policy of the government and the amendment.

Ms. Paddy Torsney (Burlington, Lib.): Madam Speaker, certainly the impact of my words have lost some of their oomph, as the hon. colleague says, given the delay.

I did want to say to the member opposite who is no longer in the Chamber that paranoia will destroy you, and I am not paranoid.

Mr. Hermanson: Madam Speaker, on a point of order, I believe it is not proper procedure to note members that are not in the House.

The Acting Speaker (Mrs. Maheu): I am sure the hon. member will apologize for having done that.

Ms. Torsney: Madam Speaker, I do apologize for that.

• (1505)

As I was saying earlier it is important that we set clear targets. As anybody or any business that has been in a debt situation knows you have to set clear targets and meet those targets. That is certainly what the government is doing.

You do not cut off your nose to spite your face. We still have to make investments in the future. We still have to get out from underneath the debt and deficit situation. We will do so by making strategic investments, by setting clear targets and by continuing to meet those targets as we have in the last year and actually exceeding them. That is the conclusion of my remarks.

The Acting Speaker (Mrs. Maheu): The hon. member's time has expired.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I am speaking in this debate in order to point out a number of contradictions in the budget, in the way cuts are made, cuts I would describe as bad.

The first thing I would like to draw to the attention of this House is the cuts in research and development, particularly in the agricultural sector. In this period of worldwide change, this time of market globalization, it is very surprising for a government to be cutting out all research in such a draconian and definitive fashion in the area of ovine production—production for the development of sheep farming. This type of production is both ecological and a source of diversification for a number of regions in Canada.

The decision was made in the budget to close the experimental farm at La Pocatière. This is a federal experimental farm, the oldest one in Quebec, which, only two years ago, was given the exclusive mandate for research in sheep farming for all of eastern Canada and in fact for Canada as a whole. A few years ago, a new sheep barn was built there at a cost of $10 million—money simply forgotten today. We are told that this farm will be closed, despite the fact that the sheep industry should get the most out of investment in research and development.

This situation is in blatant contradiction with the Liberal Party program and the guidelines of the present government on support to the agriculture industry. It is a contradiction, and I believe the government should reverse its decision and continue to pay the cost of research and development in sheep production

so that this industry can receive the support it needs to take its rightful place in the Quebec and Canadian market.

Another example of bad cuts in the budget is the substantial increase in port tariffs planned for the various harbours that come under Ports Canada and which are along the St. Lawrence River, among other places. They decided to raise port tariffs by 25 per cent and the ultimate result of this increase will be that a certain number of boats which would otherwise have docked in these ports will refuse to do so. For example, in Cacouna harbour, in my riding, the increase in port tariffs will achieve the opposite effect to that intended, which is to increase government revenues.

The result of the increase in port tariffs will be that fewer boats will dock there. This may cause an overall decrease. This is the kind of misjudgment of the situation which will have a negative impact on all ports, especially on the St. Lawrence, where 13 ports can be considered profitable when it comes to efficiency. This across–the–board increase in port tariffs will make some hitherto profitable ports stop being profitable and will make them a drain on the federal budget. I think that it is important that the federal government reconsider its decision to increase port tariffs by 25 per cent, because all users know that it will have an impact.

• (1510)

People who make calls for tenders, shipowners who entertain the idea of docking ships in Cacouna harbour or another could very well end up going to the east coast of the United States. We are going to eventually end up with even more harbour facilities which are not used as they should be and which will be increasingly in the red.

I think that these are examples where the government sets out in good faith to cut spending, but cuts in the wrong places and implements cuts which have negative repercussions for the economy of certain regions, like the one I represent, the riding of Kamouraska—Rivière–du–Loup.

Another example is transportation subsidies. Everyone agrees that these subsidies, which perhaps created an artificial market, must be abolished. The Minister of Transport was favourably disposed to recommendations that these subsidies be eliminated gradually, so that the impact on the regional economy could be evaluated. The Minister of Finance, however, has decided to cut them drastically starting July 1, 1995.

It is not possible at this time to predict the effect this will have on eastern Quebec and the Atlantic provinces. It is not known if it will be beneficial or disastrous, or if some businesses will not be forced to close their doors during the summer of 1995 because of this decision.

Why did the government not follow the recommendations of the industrial commissioners of eastern Quebec, of the Atlantic Canada Opportunities Agency, of all the stakeholders in this sector ultimately, and reduce these subsidies gradually over four or five years? That would have allowed the various industries, whether in the forestry sector, dairy production, furniture manufacturing, or processing, to adapt, to explore new markets and to meet the new challenges of competition.

I think that a decision such as this one will lead on the short term to an increase in unemployment. I need not tell you that our economy does not adapt very quickly to change. Some people will lose their jobs and will not find others right away because the first step will be to rebuild the regional economy, to create an industrial fabric corresponding to the new market conditions resulting from the abolition of transportation subsidies.

This is another example of how, in the budget, the federal government has ignored the complex nature of markets and is making decisions that will have a major negative impact on the short term. This impact could have been reduced by taking into account the recommendations made by the various stakeholders in the local economy.

I would like to give one last example, which I think is even more meaningful, namely the Federal Office of Regional Development's withdrawal from capital assistance programs for small business. Under the pretext of saving, we will kill a very lucrative small business start–up market.

For example, a small winery like the one in my riding obtained a subsidy to build a warehouse, which allowed it to expand its market and secure a significant market share. This type of assistance will disappear. Consultants will help businesses find their way around the bureaucratic maze, but this type of assistance will not help launch small businesses. In this regard, I think that the federal government made the wrong decision.

I gave several examples of less than effective cuts which will be counter–productive on the long term, so that we will end up with an even larger deficit and regions will become even more dependent on transfers. The results will be the opposite of what the government is trying to achieve.

Of course, the government argues that it has to do this in order to cut spending. But we have not looked at the other side of the coin. For example, why did they decide to give family trusts until 1999 before eliminating the tax deferral and preferred beneficiary provisions?

• (1515)

It is a little like coming home one night to find a burglar and telling him: "It is now 11 at night; I will come back tomorrow morning around five o'clock, but in the meantime, keep quiet and do not steal anything".

We are telling Canada's wealthy families that have taken advantage of family trusts that they have five years to empty these trusts. At the end of the day, they will still be able to make the most of this unacceptable tax dodge.

Another way we could have saved money is by eliminating duplication in the area of manpower where, in Quebec alone, $250 million is wasted every year. I wanted to give these two examples to show that, if the government had taken action in the right places, it would not have been obliged to resort to such senseless measures as cutting Canada's only experimental sheep production research farm, which is located in La Pocatière.

Mr. Osvaldo Nunez (Bourassa, BQ): Madam Speaker, I rise today to take part in this debate on the 1995–96 budget.

First of all, I must say that this budget is very disappointing. It is hard on the workers, the disadvantaged and Quebec. It does not contain any job creation measures. There is nothing in this budget for the 800,000 Quebecers on UI and welfare who want to work. In this budget like in his last budget, the Minister of Finance is announcing further cuts in unemployment insurance. Quebec however will get back less than it will contribute in 1995. It is clear that federalism does not profit Quebec.

This year, Quebec workers and employers will contribute $4.8 billion to the UI fund, but Quebec claimants will receive about $4.7 billion in benefits and various employment–related services. This will means a shortfall of approximately $118 million for Quebec. Just to restore the pre–recession level of employment, more than 800,000 jobs would have to be created in Canada.

In that sense, the budget offers no hope to the 1,200,000 jobless Canadians, based on Statistics Canada's figures.

Instead, the government sets itself a target of 45,000 job cuts in the federal public service, the most extensive one–time workforce reduction ever made in the public sector. Ottawa, Hull, Montreal, Toronto and many smaller cities and local economies will be hard hit by such a massive layoff of civil servants. I want to show solidarity with the Public Service Alliance of Canada and all government employees who will be laid off.

In addition, seniors' income is threatened by the government's announcement of an impending review of old age pensions scheduled for 1997 and designed to reduce program benefits.

In these times of drastic cuts in social programs, the government can almost certainly be expected to try and raise premiums, reduce benefits and tie pension income to family income. Thousands of seniors, UI and welfare recipients are very unhappy with this budget, particularly in my riding of Bourassa, where they are in great numbers.

The federal contribution to social programs, i.e. welfare, health and education, will be reduced from $17.3 billion in 1994–95 to $10.3 billion in 1997–98. This 40 per cent cut over three years will force the provinces to make further cuts with nothing offsetting these cuts.

On the other hand, costly duplication will be allowed to continue at the expense of the taxpayers, and so will squandering.

• (1520)

Also, the government does not go after the thousands of businesses which do not pay taxes, nor does it do anything about the tax havens accessible by virtue of tax treaties signed with other countries. This budget looks like it was drafted by Wall Street financiers. Tax on bank capital is increased, but only for a certain period. Consequently, banks will temporarily contribute about $100 million, while the Royal Bank alone made profits in excess of $1.2 billion in 1994.

As for family trusts, which Bloc Quebecois members denounced on many occasions, the minister maintains existing privileges for another five years. Over the next three years, the minister will cut $307 million from CMHC's budget, which is responsible for social housing, a very important issue in my riding of Bourassa, in Montréal–Nord. This unfair budget also reduces by $32 million the amount of subsidies to Quebec dairy producers.

The government also intends to reduce by $1.3 billion, over a three–year period, the budget for international assistance. That decision is in full contradiction with the white paper on Canada's foreign policy, which was tabled in February. I come from a developing country and I care a lot about this issue. It is a shame for our country, which will only allocate 0.29 per cent of its GNP to international co–operation, while the objective set by the UN is 0.7 per cent. This is the lowest level since the sixties. Meanwhile, at the recent world summit on social development, in Copenhagen, industrial nations, including Canada, just pledged to increase official development assistance. How hypocritical!

I also want to discuss the cuts affecting the Department of Citizenship and Immigration. Because of drastic increases in immigration fees, family reunification will become increasingly difficult. The most blatant example is the tax on immigration. From now on, all adults who want to immigrate to Canada will have to pay $975, in addition to a $500 processing fee, which

means they will have to pay $1,475 just for the right to settle in Canada.

In many countries, this amount is the equivalent of a year's wages or even more. A family of four will have to pay about $4,000. Many people whose refugee status has been recognized cannot afford to pay $500 to obtain permanent residence. Some people arrive here without any money at all. How can they deal with this increase? It is unacceptable that future immigrants who never lived in Canada or visited this country will have to pay for the Canadian government's deficit.

The government overlooks the fact that the country of origin has already invested a lot of money in educating these immigrants who are a formidable asset to Canadian and Quebec society. Furthermore, people will have to pay $200 instead of $80 to obtain citizenship certificates. This is unacceptable. The government expects to collect more than $100 million per year as a result. This discriminates against workers and poor people from developing countries, like the head tax on Chinese immigrants in the 19th century, which was intended to discourage the Chinese from coming to Canada.

The government has shown no compassion at all for people who seek the protection of Canada under the Geneva Convention. The budget cuts will have a severe impact on the IRB. The number of commissioners who deal with refugees will drop from 175 to 112. The board's budget will be reduced from $82 million to $77 million. On the whole, the budget of the Department of Citizenship and Immigration is shrinking, despite the fact that fees for services rendered have gone up, sometimes by 200 or 300 per cent.

Because of office closures, staff cuts, the creation of two huge processing centres in Vegreville and Mississauga and other operating problems, the department is no longer capable of carrying out its mandate.

• (1525)

On top of that, we had the appointment a few days ago of Jean–Guy Fleury as executive director of IRB. Mr. Fleury formerly held a position with the Canadian Security Intelligence Service, a fact that was omitted from his biographical notes.

Why does the Liberal government want to establish this kind of association between immigration and intelligence and national security matters?

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Madam Speaker, this is by way of a comment because I really cannot let some of hon. member's comments go unanswered.

With the greatest of respect to the hon. member and his background in immigration, his lack of comprehension of the policies of the finance minister and the minister of immigration and our policy initiatives which have taken place during the last several weeks is tragic.

The idea that the department of immigration would not reduce its moneys is simply ludicrous. Of course it will. We all have to. Every single person in this country has to make a sacrifice to ensure that the country will continue and that the institutions of this country will continue to serve all Canadians.

Some hon. members: Oh, oh.

Ms. Clancy: Madam Speaker, I wonder if we could call a meteorologist. There appears to be some heavy weather on the other side.

At any rate, over the sounds of the empty barrels, for the edification of the hon. member for Bourassa, for the 3,000th time since the announcement was made I want to explain the situation with regard to the fee. Very briefly, the $975 will be charged to adults on landing. No one will be turned away. Government loans will be available. Immigrants and refugees have paid back their loans from this country at the rate of 95 per cent. To say anything less is insulting to immigrants and refugees.

[*Translation*]

Mr. Nunez: Madam Speaker, I notice a great difference in the position taken by the Parliamentary Secretary to the Minister of Citizenship and Immigration when she was in opposition, on this side of the room, and her speech today, now that her side is in power. Why is she not giving the same pro–immigration and pro– refugee speech she gave before? Why has she changed so much? Today she is defending policies criticized by all of the organizations that assist refugees and immigrants. Everybody is against this immigration tax. Everyone opposes the $975 fee.

She tells us that no one will be denied entry over this fee, but she does not tell us that, to qualify for a loan, an individual must show that he or she meets the loan repayment conditions. In poor countries, few people earn $975 a month; sometimes they do not even earn that in a year.

[*English*]

Mr. David Iftody (Provencher, Lib.): Madam Speaker, I wanted to respond to a couple of points the hon. member from the Bloc raised.

With respect to the reductions of the dairy subsidies in the budget, I believe the member may have erroneously left the House with the impression that Quebecers and Quebec dairy farmers were the only ones who received these kinds of cuts. That is not true at all. In fact, I have just received information in my office of a Canadian analysis. Each one of the dairy farmers across Canada contributed equally to the reductions, in terms of those subsidies, to the tune of about $1,000 per farm unit. I can

report to the hon. member that the reductions in Quebec are the same type that were received in my constituency of Provencher.

With respect to unemployment rates, at the outset of his speech the member raised concerns about the inequities in terms of contributions in Quebec to the unemployment insurance fund and those collecting unemployment insurance.

• (1530)

Perhaps the reason there are not as many people collecting unemployment in Quebec as there were last year is the federal government's small business initiatives and the federal infrastructure program.

[*Translation*]

Mr. Nunez: Madam Speaker, I would like to point out, for the benefit of the hon. member for Halifax, that several members of her own party do not agree with the immigration fees.

Ms. Clancy: That is not true.

Mr. Nunez: Yes it is.

The Acting Speaker (Mrs. Maheu): Are you going to reply to the hon. member for Provencher?

Mr. Nunez: I would like to give the hon. member an answer. Once again, Quebec is hit harder than the rest of the provinces. In the dairy sector alone, cuts of $32 million, and dairy producers are concentrated in Quebec. For the first time ever, this year Quebecers will contribute more to the unemployment insurance system than they will receive in benefits. The shortfall in unemployment insurance is $118 million. And there is nothing in the budget to help job creation. What about the promises? What about the Liberals' promise to create jobs?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Madam Speaker, it is a pleasure to rise today to participate in the budget debate. During all my years in opposition, I heard many finance ministers deliver their budget speeches. From one year to the next, the same scenario repeated itself. The minister would make great forecasts and great promises only to tell us later that he had been completely mistaken.

[*English*]

Now the approach is different. This is a new era. For the first time Canadians can trust their government's economic assumptions.

The Minister of Finance has restored the confidence of the financial markets. He has also done something else of equal importance. He is restoring the confidence of Canadians and for that I salute him.

Today I want to talk about the implications of the budget for Canadian women. However let us be very clear. I am not only speaking to women; I am also speaking to men. Women's issues are everyone's issues. They are societal issues. They touch every citizen in the country.

Women are our mothers, our spouses and care givers. They are also taxpayers, consumers, workers and entrepreneurs. They balance the family budget. They manage businesses. They take jobs and they create jobs. They educate the next generation.

Women are very realistic. They know that as a nation we cannot spend more money than we make for a very long time. The time to pay back quickly catches up. Women understand that our country cannot continue to accumulate huge deficits year after year after year.

Now the time has come to face reality. The 1995 budget is the first step and only the first step. Our goal is to create good jobs and maintain our social safety net. We refuse to have decisions of prime importance for the nation taken by the bond sellers in New York, Tokyo or for that matter on Bay Street.

What lies ahead of us is a long journey, too long delayed. At the end of the journey we will emerge triumphant with our finances in order, a stronger economy, an ensured social safety net, and with renewed confidence in our abilities.

Before we reach that goal many sacrifices will have to be made by all Canadians. We will all have to tighten our belts. Everyone shall be called on to do his or her fair share to help eliminate the deficit.

Women really understand the need for fiscal restraint. They are ready to do their fair share but only their fair share, for fiscal restraint must never be used as an excuse to roll back the advances women have made in the past 20 years. Nor can it be given as a reason for delaying or postponing the further progress of women's equality.

• (1535)

[*Translation*]

The first piece of good news for women in this budget is that there is no tax increase.

We sincerely believe that the tax issue is not only a matter of tax rates; it is also a matter of fairness. By eliminating tax loopholes, the budget makes our tax system more equitable.

Second, the Canadian government wants to give the provinces more flexibility in managing programs like health care, post–secondary education and social insurance. We will achieve this goal through the Canada Social Transfer.

[*English*]

The minister stated that flexibility does not mean a free–for–all. There are national goals that still must be applied. We will combine flexibility with continued fidelity to our principles.

The government is absolutely committed to providing a fair and sustainable system of protection for Canadian seniors. This is also very important for women as they live longer and are often among the poorest in society. In order to ensure the sustainability of our pension programs, we will consult with seniors and Canadians in general on the nature of the needed changes later this year. That is part of open government.

Women's groups have a great interest in these consultations and I encourage them to make their views known. I have asked my department to specifically focus on this issue in the coming year because we all have to contribute to the fullest degree possible to the design of the program.

Women have a major stake in the budget measures, seeking to replace dependence with independence. An important element of that effort is the new human resource investment fund. We have to ensure that women's particular employment situations, their training and employment patterns, their incomes, family responsibility and life experiences are fully taken into account, both in the design of the new fund and the planned changes to unemployment insurance.

[*Translation*]

I am also delighted that the Minister of Finance has announced several measures to encourage small business.

Close to 40 per cent of small businesses in Canada are headed by women and their success rate after five years of operation is double that for men. That is the truth.

We can be proud of this success, which, however, did not come easily and without pitfalls. Businesswomen have to face what we call financial sexism. This does not come from me but from a new study released a few days ago by the Canadian Federation of Independent Business.

This study shows that women applying for business loans at financial institutions are turned down 20 per cent more often than men. It is a disgrace. And if they are approved, 95 per cent of the time, they have to pay higher interest rates on their loans. Do you find that fair? We certainly do not. All this, I remind you, in spite of the fact that women are very responsible and successful in business.

No wonder that, according to Pierre Cléroux, Vice–President of CFIB, these figures prove beyond any doubt that financial institutions are discriminating against women entrepreneurs.

Hats off to the Minister of Finance for stating in his budget speech, and I quote: "This government is determined that small businesses will have access to the financing they need to continue being our number one creator of jobs".

On behalf of all women entrepreneurs, I might say the sooner the better.

[*English*]

Let me turn to the principle of good government. There is no doubt in my mind that we have to redesign the role of government in the economy to fit the size of our pocketbook and the priorities of our people.

• (1540)

[*Translation*]

Last year, soon after being elected, our government undertook an extensive review of all programs and agencies it is responsible for. As part of this program review, the role of three organizations dedicated to women's equality, namely Status of Women Canada, HRD's Women's Program and the Canadian Advisory Council on the Status of Women.

[*English*]

The review process found that all three promote women's equality and in various degrees they all conduct research, consultation and undertake communications. All three also work closely with women's organizations.

The government concluded that the best way to increase both effectiveness and efficiency would be to consolidate its actions for women's equality at Status of Women Canada. In this regard effective April 1, 1995 the women's program of human resource development will be transferred to Status of Women Canada. The presence and the role of their local, regional and national staff, those offices and their services, will be maintained.

As well, effective April 1, 1995 the mandate of the Canadian Advisory Council on the Status of Women will end. This will result in a streamlining of resources and costs, removing duplication and eliminating all order in council appointments.

The CACSW's research, consultation and public information functions will be consolidated within the overall operations of Status of Women Canada.

The CACSW will be given the time and support it needs to wind up its operations. Once we move the functions to Status of Women Canada we hope we will be able to absorb some of the advisory council's staff to fulfil these functions.

[*Translation*]

The Canadian government is firmly committed to women's equality. As a matter of fact, this commitment has motivated all our decisions. This consolidation will enable this government to further the cause of women's equality in partnership with women's groups, the provinces and territories, the private sector and volunteer organizations.

[*English*]

The Canadian Advisory Council on the Status of Women played a major role in the formative years of Canada's modern women's movement. At its inception in 1973 following the Bird report, the report of the royal commission, it filled an important

void. The modern Canadian women's movement was in its infancy. Women lacked a strong voice in the public arena. They also lacked vehicles through which they could advance equality.

Since then Canadian women have made progress in government, in education, in business and in the academic world. More important, women have formed hundreds of small, medium and large organizations throughout the country to ensure that their needs and concerns are heard and met.

These local, regional and national organizations work in many fields like violence against women, child care, the treatment of women in the health, justice and immigration systems, and the needs of women entrepreneurs among others.

As our society evolved the need for some of the functions of the council changed. Over the years its role as an interpreter of the voices of women has been overtaken by many strong, established national, regional and local women's organization.

We owe a great deal to the pioneers who worked within the advisory council. I salute the years of hard work and dedication of the committed women and men who have served the advancement of women through the advisory council.

I wish good luck to its outgoing president. She has been very helpful in my thinking the whole approach through and looking at new avenues for creativity and new dimensions of the work we are about to undertake.

• (1545)

The vitality and the strength of today's women's organizations and the dedication of their members will ensure that the important work done by the advisory council will continue. Its independent research capacity and its ability to consult and communicate information to women and the general public and its documentation centre as well are important supports to public policy making.

Therefore, these functions and the associated financial resources will be maintained. Its initiatives will enhance our ability to understand and respond to women's equality issues that take shape at the grassroots level and create a new synergy between research, policy development and the government's programs.

The consolidation of these three organizations will, I outline and summarize, create a single window operation; eliminate confusion and improve access to government; provide the government with a critical mass of expertise on women's issues; improve research, communications and public information services; strengthen links with local, regional and national organizations, NGOs and universities; ensure that funding for research that is independent of government continues to be available; and allow the government to focus its efforts toward promoting equality for Canadian women.

Since the day the Prime Minister appointed me as Secretary of State for the Status of Women, I have been meeting with women's organizations across this land. I have been having round table discussions with them and with many of the groups here in Ottawa. I have listened to their concerns with a great deal of interest.

In the new structure we will work to reinforce our collaborative partnerships and our abilities to network on a broad spectrum of issues by ensuring the involvement of these many women's organizations with their differing perspectives and the voluntary sectors and the universities works well.

I also want to explore how we can use the new communications technology in this new era of information. I would like to see us build an ongoing dialogue with our constituency using Internet and E–mail or both, or library net. These are all fabulous ways to keep in touch and keep informed and we want to do just exactly that.

[*Translation*]

We want to make sure that women become full–fledged partners in our society. As the Prime Minister rightly said recently: "In Canada, women continue to further the cause of economic equality. Relying on their own means and abilities, women help shape the future of this country. As for the Canadian government, it is meeting the challenge. Women's equality is not a matter of special interests or rights, but rather a matter of social and economic justice, a matter of good government".

[*English*]

We will work together and work toward equality in partnership with women, men, and the public and private sectors to overcome the obstacles that are still blocking our way. It is by involving the talents and dedication of every Canadian, all of us, that we continue to enhance our prosperity and make this country still a better place in which to live. When we involve all of its people we are in the best position possible to make things work.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Madam Speaker, I want to congratulate the hon. member for her convincing speech on the continuous struggle of women towards equality. I have two daughters and I do hope that they will live in a society where equality will be even more of a reality.

My question concerns some measures which seem in contradiction with the objectives and arguments stated by the hon. member.

First, one of the recommendations made by the Liberal majority on the human resources development committee provides that future UI beneficiaries, that is those who never received UI benefits before—this means a majority of young people and women—will have to work a greater number of weeks than other beneficiaries to be eligible for UI benefits and these benefits will be less than those that will be paid to people who have already been in the system for years. This seems to be

in contradiction with the principle governing the UI system and with your concept of equality.

• (1550)

Second, the same committee recommended that, in the future, students will have to run up higher debts, something which will affect women even more than men since, in the course of their careers, there are times when they are not gainfully employed, for example when they decide to stay at home to raise their children. Consequently, these women will be burdened with larger debts and for a longer period of time. That also seems to be a contradictory measure.

Finally, there is the plight of women who do not receive any welfare or UI cheques and who are not eligible for programs such as the assistance program for independent workers, which helps people start businesses.

Does the hon. member not agree that the government could have made an extra effort regarding these three areas, or should at least, through the social program reform, ensure that women in Canada and Quebec are not adversely affected by recommendations which are neither appropriate nor adequate in terms of helping them get where they should get in the future?

Mrs. Finestone: Madam Speaker, I thank my colleague for his questions. As a father of two daughters, his interest is clear to me. We are certainly on the same wave length in that both our sons and daughters should enjoy equal opportunities and wage parity. I certainly agree, and I commend him on his position.

I want to say to the hon. member that he should not be too worried about unemployment insurance. So far, no decision has been made. It is still hypothetical. The report drafted by the people who worked so hard to listen to what the public had to say has been tabled, and the final decisions will be made at the appropriate time.

As for female students, if I am not mistaken, in the last two budgets the situation improved, and it is easier for women to get bursaries when they want to do a doctorate. There are certain situations, and I do not remember the exact circumstances, but I will certainly make enquiries and send you the rest of the details, but I know that women have been privileged in this respect, and if we want equality, I hope that the time will come when we no longer have to take this kind of action to ensure that women have the opportunities to which they are entitled.

On the subject of small business, I dare say that for the first time we have, if not threatened, or at least strongly suggested or advised, the banks that if they did not give small businesses the kind of protection they need and did not give them loans on request, we would apply sanctions that would be a little more severe than was previously the case. And when we see that 40 per cent of all businesses started by women have a better success rate than those started by men, I think it is because women tend to take a more thorough approach. They do not take as many risks, that is true, but in the end they have a better success rate.

A study has found that 50.1 per cent of businesses that have been in existence for 25 years are run by women, and these are incredibly successful businesses with sales that are absolutely amazing. I hope that this more or less answers your questions, but I can assure you that we have not yet won on all fronts. We must take action through partnerships with people like the hon. member, and I am counting on the co–operation of everyone, especially here in this House.

• (1555)

[*English*]

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Madam Speaker, I listened to the hon. minister's presentation. I appreciate a lot of things she had to say, particularly in the opening part of her statement where she said that women have a very good understanding of fiscal restraint and what it takes to run a business or a household.

My wife is a person who does understand. It is a shame my wife is not here to hear the comments of the hon. member for Halifax. I am sure she would take issue with that. Perhaps she is watching this on television. My wife does understand as the minister rightly said the need for fiscal restraint. My wife also is 100 per cent supportive of my opting out of the gold plated MPs pension plan. Why? Because like millions of other Canadian women who understand the need for belt tightening in these times of financial crisis in order to get our country's finances on the road she believes that leadership should start right at the top, here in the House of Commons.

If the women Liberal government members do support leadership by example, then why do they still cling so fervently to this still gilded MPs pension plan?

Mrs. Finestone: Madam Speaker. Women know how to handle money. They know how to turn a nickel into a dollar. They have been very cautious and careful. They have had to be, because men have not always been very sharing or very open with their wives or their children.

With respect to the pension, my husband thinks the pension is just right, just fair and he has no objection. Quite frankly we all work very hard. I am sorry if the hon. member thinks it is not worth being paid or recognized for working many hours a day. We do not agree with him. I think our pension system with the changes we have brought in is more than fair, more than equitable. My husband is not upset and neither am I.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Madam Speaker, I want to ask the minister about her commitment to child care. The budget eliminated a subsidy that allowed for a great deal of transportation funds to be available to farmers in western Canada. In the past, rural women have found themselves having to find child care when child care was not available. With the elimination of the Crow benefit the pressures on the financial aspects of farming will be increased. Rural women who have in the past called for child care I am sure will be asking the minister for her support in the future to see a federal commitment to child care in rural areas.

Can the minister tell us if she continues to be committed to child care, especially in rural Canada?

Mrs. Finestone: Madam Speaker, I want to assure my hon. colleague that I have not changed my mind or my view of society. I have met with the Rural Women's Childcare Coalition. I have met with the farm women of Canada. I am very much in support of measures that will give them the kind of child care they want. A universal system is not always what they want.

The Minister of Human Resources Development has been working with the provinces. There are propositions out there. I can assure the hon. member that our commitment to the increase in child support and child care is a well founded commitment. It will be met within the term of our red book time. I can also assure him we will not change our minds on gun control either.

• (1600)

Ms. Margaret Bridgman (Surrey North, Ref.): Madam Speaker, I am pleased to participate in the debate in the House, although today's topic does leave a lot to be desired.

Canadians have a debt of over $550 billion. We have continuously overspent our budget, creating annual deficits which we add to our debt. In turn, this increases the amount of interest we must pay, already over $40 billion.

The Budget

On February 27 the finance minister told us that he, his department and the government had balancing the budget in mind. He said it was a priority of this administration, but the finance minister does not tell us when it will achieve the actual balancing of the budget. Instead, each year we have been told of one more step in the budget balancing stroll that he and this government are leading us on, and that strolling in this manner for three years will achieve 3 per cent of GDP, assuming present conditions affecting this forecast remain constant and that those conditions or situations anticipated actually come to pass.

A plan that takes three years to reduce an annual deficit of more than $35 billion by $10 billion does seem like a stroll down some indeterminate path. It is not suggestive of a plan that would be considered a high priority by the people who implement it when there is no end in sight.

The longer we maintain the need to borrow large sums of money from foreign lenders the longer we will continue to add to our debt, increasing the amount of interest we will pay. The interest money we pay to foreign lenders could be utilized very effectively for services or benefits for Canadians at home.

It reminds me of the situation with credit cards. When a person uses a lot of credit cards to buy certain things and then sit them all in front of them and add up the amount of interest they are paying, it is taking a huge chunk of their salary. The person wonders why they thought buying on credit was a good idea.

By the time the government reaches its target of 3 per cent of GDP in 1996–97 it is estimated the interest payments on our debt will have reached $50 billion. To say it is rather easy for us these days, but it is really hard to identify with the reality of a billion dollars.

I have heard some examples, such as circling the globe at the equator with $2 bills, but it is hard to visualize how big the equator is as well. One example very easy for me to identify with is that if a person made a dollar every second they would be a millionaire in 11 days. To get a billion dollars it would take them 33 years. That puts it into reality for me.

Canadians have expressed concerns about most of the services provided under the social program umbrella, for example, health care, pensions, unemployment insurance, et cetera. We know these programs will be cut in the near future. However, we will not know until the autumn or maybe even later how these cuts will affect our lifestyles.

We also know that federal funding for health, post–secondary education and welfare will be lumped together and cut by $2.5 billion in 1996–97, and a further $4.5 billion in 1997–98. These cuts will have an effect on us, but it will depend on how the provinces allocate the moneys they receive to implement and maintain the services. Again, we do not know at this time the effect the budget will have on our lifestyles.

Even though it is a step toward decentralizing or transferring the management of these programs to the provinces and territories, it is unfavourably implemented when the cash cutbacks are not coupled with compensation in the tax credit area by increasing it.

• (1605)

With this budget plan, it is inevitable that health services will be cut, if not directly this year certainly next or the year following that.

This year health services will probably feel some effect from the cuts as applied to the medical research council, a 10 per cent cut, and the patent medicine prices review board, 15 per cent cut and another 15 per cent cut to the hazardous material information review commission.

Some aspects of the mandates of these departments or services certainly contribute toward the quality of our overall health program. Reduction in the services from some of these sources is bound to influence health care services.

I have identified some areas where cuts are to be implemented. These plus other cuts in the budget are apparently insufficient to prevent the need to continue borrowing possibly large sums of money in order to operate within the budget.

A possible contributing factor is that this government's budget does not apply cuts equitably and fairly across the board, but singles out some services to cut while allowing others to actually increase. Even though the growth rate is restricted there is still an increase taking place. An example of this is the Indian health care service program in which the growth rate will be restricted to 6 per cent for 1995–96 and 3 per cent for 1996–97 and again 3 per cent in 1997–98.

We need to balance our budget as soon as possible. We need to relearn how to live within our means and not continuously borrow horrendous amounts of dollars. Once we have achieved a balanced budget we can implement a plan systematically and consistently to apply funds to our debt and reduce it.

The Canadian people are aware that we have a deficit problem as well as a debt problem. They are aware we must resolve our deficit problem before we can adequately address our debt problem.

Canadians are looking for leadership, for a plan that will not only provide guidance and direction necessary for all Canadians to participate in resolving our deficit problem as soon as possible, but would also identify what it would mean to our lifestyle during the whole process of achieving this.

Two plans have been presented. The government's budget plan reduces our deficit problem by less than half over a three year period, of which one year has already passed, and involves cuts in services to some Canadians and not others.

The Reform Party taxpayer's budget calls upon all Canadians to accept a decrease in services across the board and to participate in a nationwide plan to eliminate the deficit in a three year period.

The Reform Party's taxpayer budget not only achieves the position of living within our means in three years, it also achieves implementing the decentralizing of some services such as health care to their rightful administrative positions, the provinces. It also removes the cash payment whip, increasing the tax credits in such a manner to allow the provinces to acquire the income necessary to meet the standards of the Canadian health care program as dictated by the Canada Health Act.

There is no need to stroll through the years toward the balanced budget target—we do not know when that is—and borrow horrendous sums of money along the way, as we are being directed by the Liberal government. We do have an alternative plan, an action plan complete in three years, not some indeterminate time period.

We have this in the form of the Reform Party's taxpayer budget. We have Reform members in Parliament who, given the opportunity, are willing and committed to provide the leadership necessary to lead the people of Canada to a balanced budget in three years and to eliminate the need to borrow horrendous amounts of money from foreigners in order to live the lifestyles we wish to enjoy.

• (1610)

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Madam Speaker, with the taxpayer budget, as the Reform Party presented it, how would the member provide assistance to those old age people who are receiving OAS at the present time with the tremendous cuts they were prescribing for their budget?

Ms. Bridgman: Madam Speaker, to precede addressing specific issues, the Reform's taxpayer budget illustrates all the cuts that would occur over three years. We also look at pensions. The government has not actually identified and will not until autumn what exactly is going to happen there.

We are not suggesting that service will not be there. We are looking at a 15 per cent cut in OAS as an across the board of cut.

The other thing we are looking at is the RPSP concept. We have to look into this and work it out in the business community and see how this is going to work. However, that concept is quite reasonable and feasible to maybe replace our existing system and come up with something that is better in the long run, has a little more control from the individual's point of view as to how they wish to live their lives and also provide them with a sense of responsibility and a sense of security.

[*Translation*]

Mr. Jean Landry (Lotbinière, BQ): Madam Speaker, I paid careful attention to the speech by the hon. member. I have one small question. I heard her say she wanted to make the cuts in the federal budget over three years. I would like her to tell me how they see unemployment insurance in three years' time, what will become of unemployment insurance?

[*English*]

Ms. Bridgman: Madam Speaker, I thank the hon. member for his questions.

When the idea for unemployment insurance was originally conceived it was seen as an insurance program for people temporarily out of work. That concept was very valid at the time. However, over the years there seems to have been a turn around in attitudes.

Let us get back to the original concept and make it the insurance program it was originally intended to be, directed at the people who need it.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Madam Speaker, I compliment my colleague on her presentation. The Liberal member opposite asked about the Reform Party's cutting OAS payments to seniors.

The Liberal members have not read the taxpayers' budget. If they had listened to the responses to the question they have asked over and over again in this House about how we are going to treat OAS, they would have heard us clearly say time and time again that seniors who have household incomes over $50,000 a year would be the only ones affected by the Reform Party budget. It would not be the seniors on lower income, as this Liberal member well knows.

Ms. Bridgman: Madam Speaker, I may have been a little weak in my comment to the hon. member. I thank my colleague for clarifying that.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Madam Speaker, I am pleased to have the opportunity to speak today on this budget. I certainly spoke on it a number of times in my riding. The many hundreds of constituents who turned out to the town hall meetings concerning this budget certainly support the Reform position that this budget is as weak kneed as a Liberal Party can possibly get.

• (1615)

The budget will ensure that before the next election the Liberal government will add another $100 billion to our national debt. The budget by the Liberal government will ensure our interest payments on the national debt will rise to $50 billion–plus. All of this will occur before the next election. The Liberal budget attempts to put a happy face on a deficit target of $25 billion in 1997.

In examining all of these factors it is difficult to see how any fiscally conscious Canadian could consider this a tough budget as the Liberal Party purports it be or a budget that will, as the Minister of Finance has said, break the back of the deficit. We have heard this break the back of the deficit statement from finance ministers for over two decades. Yet somehow the government remains committed to a position of spending more money than it takes in in a year.

Finance ministers have consistently projected deficits which in reality turned out to be far higher than their forecasts. I would never go so far as to accuse the government and the finance minister of creative bookkeeping or even fudging the numbers. My confidence in the veracity of the numbers in this 1995 budget is about the same as my confidence in the Liberals reforming social programs before there is a referendum in Quebec.

Speaking of numbers, this necessarily brings me to this notion of targets that the finance minister has been so free with. We have listened day in and day out to the Minister of Finance emphatically declare: "We have hit our targets and we will continue to hit our targets in the future".

I guess when your target is the ocean and you are standing on the end of a pier and jump in, it is easy to say that you hit your target. What is meant by that is the target is so broad and so easy to hit. You cannot miss when you put your target so low.

Simply put, the target is low. This 3 per cent deficit to GDP the Liberal government has been so proud of is insufficient. It was labelled so by the IMF, the OECD and the entire Canadian business community. The Liberals know this. The Canadian Chamber of Commerce was arguing for a zero deficit budget by 1997–98 but the Liberals did not have the political guts to commit to a target like that.

Therefore it was up to Reformers to address the real concerns of the Canadian people. That is exactly what we did in our taxpayers budget. That budget was conceived out of input from the Canadian people that was listened to. It was a budget committed to eliminating the deficit in three years and thereby a budget committed to protecting the viability and the core of our social programs.

The Minister of Finance, despite stating before the finance committee that a balanced budget is the ultimate goal, has refused to lay out any plan that details when Canadians can expect a balanced budget. There are no plans and yet he said it. Could it be that like his predecessors, the minister is really not sure of what the actual deficits will be in the future?

• (1620)

We have heard of targets before and we have continually seen them missed before. So let us hear no more pontification from

the government benches about hitting targets. A deficit target of $25 billion and a debt target of $650 billion are certainly nothing to be proud of.

To demonstrate the effectiveness of prebudget consultations held by the Liberal Party, we saw witness after witness in committee. Individuals, associations, business groups and the like appeared before the committee and testified repeatedly day after day, hour after hour against any further tax increases by this government.

After all this consultation process, which the Minister of Finance still is very proud of, which the Liberals also find time to pontificate about, what do we discover in this budget? New taxation measures.

Despite the absence of pro–taxation testimony in the hearings, the Liberal majority on the committee concocted a dozen more possible tax options. They were obviously very good at reading between the lines and listening to what these anti–tax people really meant. They said: "We do not want any new taxes," but what they really meant was: "Yes, please hit us with another tax". So much for consultation. So much for listening to the views of Canadians.

It is shameful that the Minister of Finance, knowing full well that much more substantive cuts must come in the future, allowed this key budget—and it was a key budget. There was a window of opportunity to really break the back of the deficit, but the Liberal government and the finance minister missed that window of opportunity by a mile. They allowed this key budget to be watered down by the soft pedalling socialists in the Liberal Party.

In all, this budget will snatch $3.7 billion out of the economy through taxation in the next three years despite the fact that an OECD job study, a C.D. Howe report and a survey by the Canadian Chamber of Commerce demonstrated clearly that high taxes destroy job creation. The Liberals raised taxes despite the fact that the Prime Minister in June 1991 when in opposition stated, and this is interesting, that taxes on individuals were higher in Canada than in any G–7 country. Although he said that in 1991, the Liberal government raised taxes.

The Deputy Prime Minister when in opposition in 1991 demonstrated a rare concern for the Canadian taxpayer and revealed a suspect sensitive side when it came to their plight. She stated that Canadians are paying too much tax. Despite that, the Liberal government raised taxes in this budget.

That $3.7 billion should have been left alone to create growth in the economy, to create jobs, not rip it out of the economy in taxation. Now the government will say that these new taxes were fair taxation measures. What is fair about a 1.5 cent per litre tax increase on gasoline? This is simply a $500 million tax grab to offset the revenue the government lost when it lowered the cigarette taxes. If the government had the guts to enforce the law when all that cigarette smuggling was going on, it would not have to rip another $500 million out of the economy in a gasoline tax.

I want to wind up by quoting a Liberal. This is really something and members will recognize this: "Once a nation parts with the control over its currency and credit, it matters not who makes the nation's laws. Usury, once in control will wreck any nation. Until the control over currency and credit is restored to Parliament and recognized as its most conspicuous and sacred responsibility, all talk of democracy or freedom is idle and futile".

The Liberal government has ensured the control over our currency and credit is in the hands of our lenders, not in the hands of Parliament and the government where it should be.

• (1625)

[*Translation*]

Mr. Jean Landry (Lotbinière, BQ): Madam Speaker, I listened very carefully to the speech by the hon. member, which contained figures, figures and more figures.

A year ago, when the members of the Reform Party arrived in the House of Commons, I remember their comments in an initial newspaper article in which they talked about a club sandwich costing less in the parliamentary cafeteria. We in the Bloc Quebecois were talking about tax reform. They then went on to talk about the shoeshine people; we were talking about tax shelters. We were therefore not quite on the same wavelength for savings to really be made.

The government talks about reducing the deficit to 3 per cent of the GDP. Could the hon. member tell us what percentage of the GDP he would like the deficit to be at, himself, so the debt could be paid back as quickly as possible, but without ever losing sight of the most disadvantaged, the unemployed and seniors?

I am not prepared, politically, to say that we are going to go after the most vulnerable in our society, who are unable to defend themselves, and that we will leave the rich alone. As I have said in the past and will continue to say, the good Lord and good common sense must go hand in hand. Therefore there has to be a balance between the rich and the poor classes. I do not want the poor to get poorer. I want a balance to exist.

I would like the hon. member to give me an idea of the rate he would bring his percentage to without affecting the most disadvantaged.

[*English*]

Mr. Harris: Madam Speaker, for the umpteenth hundredth time in the House, it is amazing that so many members have not been listening to what we are saying. We have said over and over it is not fiscally conscious members of Parliament who are the big threat to our social problems in this country. It is not fiscally responsible MPs who are the threat to the unemployed, the seniors and the needy, as the hon. member said. The biggest

threat is our $500 billion debt and our some $50 billion interest payment on that debt.

Imagine if we did not have this huge half a billion dollar debt created by the Liberals and the Tories before them. Imagine if we did not have this $45 billion or $47 billion interest payment what that interest payment could represent in the way of providing services and programs for people and Canadians who are in need.

That is the threat to the social programs in this country, not fiscally conscious MPs like the Reform Party. That has to be understood.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Madam Speaker, I have also listened to the Canadian people throughout much of my term as a member of Parliament. The last six years have been very tumultuous times, coming through the Mulroney era of putting a lot of pain on the backs of Canadians, and now sitting through this Parliament and the development of this budget, with taxpayers from coast to coast saying they have been taxed enough.

The finance minister claims this budget did not raise income tax for ordinary Canadians. That is not quite correct. A large number of Canadians were receiving and will receive to the end of this year the northern tax allowance. This tax allowance provides those who live further away from government services a benefit which other taxpayers do not enjoy.

The hon. member shares a part of the country with me, that is, people who currently receive northern tax allowances. Does he not believe it is unfair for those taxpayers in the phase out of the program this year to have to pay additional taxes?

• (1630)

Mr. Harris: Madam Speaker, in answer to my hon. friend from The Battlefords—Meadow Lake, this is a time when the country is in a financial crisis. It is a time that can be compared to a financial crisis in the family home. The time comes when the family does not have enough money to live the lifestyle which it had grown to like. It is the time to separate the wants from the needs.

There are so many different areas in which we spend money which clearly could be described as needs. There is also a tremendous amount of ways in which we spend money that clearly could be described as wants. If we are ever going to get our financial house in order we have to make a clear distinction between our needs and our wants.

The Acting Speaker (Mrs. Maheu): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Burnaby—Kingsway—Human rights; the hon. member for St. Albert—The Treasury Board; the hon. member for Wetaskiwin—Labour.

Hon. Warren Allmand (Notre–Dame–de–Grâce, Lib.): Madam Speaker, I am pleased to have the opportunity to speak in the budget debate, but it is with no joy I say what I feel I have to say. I doubt, with the short time available to me, that I will be able to properly develop the case I would like to make. I doubt whether I will have the time to put on the record the many points which I think are essential.

There are some positive measures in the budget which I fully support. I have in mind the measures for tax fairness, those measures which deal with tax deferrals, with family trusts and with RRSPs. I also fully support the measures to put additional tax on large corporations and the new special tax for banks and bank–like institutions.

I regret that with respect to the balance of the budget I feel there is much that is wrong. Specifically I am opposed to those measures which attack our social programs. In the budget it is proposed that we cut transfers to the provinces for post–secondary education, health care and the Canada assistance plan by $7 billion over the next two years. It is also proposed that we cut from unemployment insurance a minimum of 10 per cent, a program which has already been cut by the last budget and cut savagely many times under the previous Conservative government.

For those Canadians who are not aware of what is covered by the Canada assistance plan let me refer to a few items. By agreement with the provinces it covers payments for food, shelter, clothing, fuel and utilities for disabled people and people who are not able to work. It covers rehabilitation for needy persons. It covers day care centres. It covers hostels for battered women. It covers nursing homes for old people. It covers the cost of children in foster homes. It covers homemaking and home support services. It covers adoption services. That is only a partial list.

These cuts are not only wrong in principle, they are contrary to the campaign promises which we Liberals made in the red book and throughout the last election campaign. They are, first of all, wrong in principle because social programs are not the cause of the deficit. In answer to a question in the House only a few weeks ago the Minister of Finance admitted that the cost of social programs as a percentage of gross domestic product was exactly the same today as it was 20 years ago in the mid–seventies. He admitted that they were not the cause of the deficit. If they are not the cause of the deficit why attack them and why propose such extreme cuts to them in the budget?

• (1635)

These cuts are wrong in principle because they will cause considerable harm and pain to a segment of the population that has already been hit very hard before. I have in mind the unemployed, single mothers, older workers, the disabled, the mentally ill and others. These provisions will widen the gap between the rich and poor, will cause further social unrest and will hurt the economy by causing unemployment and reducing purchasing power.

The cuts are not only wrong in principle but contrary to what we said in the red book, contrary to what we said during nine years in opposition and contrary to what we did during twenty years in government under Mike Pearson and Pierre Elliot Trudeau.

I have the red book here. I do not have much time so I will just read one or two quotes. I could read many. I refer to page 74 of the red book. It reads:

> Since 1984, the Tories have systematically weakened the social support network that took generations to build. Not only have they taken billions of dollars from health care and from programs that support children, seniors, and people who have lost their jobs, but they have set us on the path to becoming a polarized society, divided into rich and poor, educated and uneducated, with a shrinking middle class. This is not the kind of country most Canadians want to live in. In a polarized society, crime, violence, intolerance and group hatred flourish.

That is just one quote from the red book but there are many others that are similar.

I also have here the complete list of the opposition motions that we tabled during the nine years we were in opposition. Motion after motion proposes solutions which are contrary to what is being put forward in the budget.

Again, I do not have time to read them all but I refer to one put forward by the member for Hamilton East on an opposition day:

> That this House regrets that almost one million Canadian children are living in poverty, that 1.4 million Canadians each year must rely on food banks and that the current recession the proposed goods and services tax will make this situation worse; and that the House, desiring the elimination of poverty in Canada by the year 2000, demands immediate programs to ameliorate the plight of the working poor, including a review of the minimum wage, discriminatory employment practices, current available children's benefits and other income support programs.

I also have the amendments that we tabled to the Tory budgets during the nine years in opposition and they state similar sorts of things.

Some people say that times were better then and we could do things when we were in government that we cannot do today. That is not completely true. The government was in better economic shape then but the country, as the Minister of Finance said the other day, is better off today. The gross national product is higher today than it was 30 years ago. Canada is producing more goods and services. Unfortunately they are not being distributed as fairly as they should.

Some members have said, in trying to justify the budget, that being a Liberal means being flexible. One should be flexible but one should be flexible within a framework of principles. To be flexible does not mean that one completely junks all the principles that one has stood for and it certainly does not mean that one throws out the promises that one made in an election only a year and a half ago.

Yes, the red book and the election were only one and a half years ago. As far as I know there has been no significant change in Canada or in the world since that time. If the red book policy had to be changed due to changed circumstances then the case has not been made by the Minister of Finance.

• (1640)

Those are my specific concerns about the budget but I am also troubled by the longer term implications of the budget. There are several measures that continue to strip away in my view the federal government, to strip away the federal authority, to strip away the federal presence in this land, the presence and visibility of Canada as a nation.

I have in mind cuts to transportation, to communications, to the CBC and to social programs. These have always been the national glue, the national infrastructure which has bound this country together for many years. My concern is that the federal authority will be left as a hollow shell once these cuts are made.

I support the deficit reduction goal of 3 per cent of gross domestic product that we put forward in the red book. I support deficit reduction but I support it in the way that we proposed to do so in the red book: by cutting waste, by cutting unproductive expenditure, by encouraging and promoting economic growth, more jobs, more profits for business to bring about more revenue for the government and by filling in and closing down the unfair tax provisions in the Income Tax Act, not by cutting social programs. I support the goal of deficit reduction but not in the way in which we are doing it in the budget.

Yes, the fiscal deficit is important and I agree that it must be addressed. But it must not be addressed at the expense of a social deficit where we have more crime, more social unrest, more family violence, suicide, alcohol and drug abuse.

I saw a very good button the other day on a person. The button said: "If you think education is expensive, try ignorance".

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Madam Speaker, I would certainly like to thank the hon. member for Notre–Dame–de–Grâce for his speech, but at the same time remind him that we have one thing in common: we both represent ridings in the Montreal region. And someone who represents a Montreal riding is automatically sensitive, like the hon. member for Notre–Dame–de–Grâce, to the issue of poverty and to the hardship that the past two recessions, the last one being the 1982 recession, imposed on a good many of our constituents.

I find the hon. member very courageous, because he belongs to the government majority and it is to his honour that he is able to rise above the prevailing opinion. However, I told myself that he is asking us to remain keepers of the social conscience. He is asking us to make sure that we have an interventionist government and that we maintain one of the government's reasons for being, namely redistribution.

However, we have diverging views on the causes of the deficit. What I found surprising and very pleasing about the hon. member's speech, and I say this without any ulterior motive, was that he states that his government has no other choice but to cut transfer payments. By doing this, his government could destabilize provincial governments and force them to cut services which are basic necessities and financed through the Canada assistance plan.

I would like to hear the hon. member's opinion on the causes of the deficit. As far as we on this side of the House are concerned, the deficit is caused by the fact that it is impossible to maintain a continental country like Canada: Canada is the first and last example of a federation with a narrow ecumene stretched out between two oceans. We say that one of the causes of the deficit—when we analyze how we got into debt—is that we have had a strong central government which meddled in jurisdictions in which it had no right to. The hon. member will recall that he was a member of Parliament when Ottawa created, for example, a department for urban affairs and for recreation, which, under the constitution, were in no way related to the powers granted to the central government.

I would like to know if the hon. member will agree with me that it would be much simpler for Canada and for its financial situation to reorganize the country to give Quebec more power and for Quebec to create its own national government and for us to begin dialogue on the basis of our status as associated states.

• (1645)

[*English*]

Mr. Allmand: Madam Speaker, The principal causes of the deficit are speculation in currencies which cause changes in the interest rates and globalization of economies which allows large multinational corporations to manipulate and speculate on products, derivatives and currencies. For example, I was told yesterday by a prominent member of government that each time interest rates go up by 1 per cent it costs us $1.7 billion per year in additional payments on our debt. If it goes up by two points it is twice that amount. Those are the types of things that cause the deficit.

In addition, many people are getting away without paying the taxes they should be paying. The tax system is not fair. There was some movement in the budget to correct it. I applaud that and I support that but it did not go far enough.

With respect to the other question the member asked regarding a new way of arranging Canada, I supported in the House and voted for both the Meech Lake accord and the Charlottetown accord. Both were eventually defeated. Those accords would have rearranged the structures in Canada.

I believe in maintaining and even increasing the payments to the provinces for social programs, but I also believe that national standards should be set by the federal government. The federal government can equalize opportunity and care throughout the country. That is the humane thing to do.

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Madam Speaker, it is pleasure to rise in the House to take the opportunity to address the second budget of the government as presented by the Minister of Finance on February 27.

I expect in the final analysis the budget of February 1995 will go down in history. It will be the budget that made a significant difference in Canada at a time when Canada was at a crossroads.

The budget will be viewed by future historians as a watershed budget, a turning point in which the government of the day had the courage to make the tough decisions and to make the necessary cuts in spending in accordance with responsible financial management.

While the budget makes drastic and unheard of changes to the face of government through spending cuts, it does so with fairness and compassion. Programs that are efficient and effective in serving Canadians will remain, but programs that are obsolete, redundant and dysfunctional will be eliminated. The budget prepares us for the inevitable trend of the 21st century, which is less involvement by government in the lives of people.

To do this we have implemented a transition process that encourages the individual to more self–reliant, more entrepreneurial, stronger as a community and less dependent on government programs and subsidies.

When the constituents of Cumberland—Colchester elected me to represent them I knew I would be coming to Ottawa at a very crucial time in our history, that I would be part of a government with a fiscal policy that would either make or break Canada, and that the Liberal Party would be the one to ultimately bear the responsibility of piloting the country out of deficit financing.

Canadians from coast to coast told the House that reducing the deficit and debt must be the number one priority of the government. They know how the deficit is like an albatross around the neck of each and every one of us and of future generations to come.

The government accepted the challenge, not only with the budget but with several budgets to come in the future, to work toward a balanced budget. It is not politically expedient but it is the right thing to do.

The measures taken in the budget will ensure that Canadians can face the economic challenge of international competition and that we will be able to do so with growth and confidence. The budget is about restoring confidence in government and confidence in the Canadian economy.

Measures that were taken last year in the first budget of the government showed positive results in our economy. Economic growth is at 4.5 per cent, the strongest of the G–7 nations. The most impressive year ever in Canadian exports was 1994. We showed a massive trade surplus with the United States. Inflation was at its lowest in three decades. There were more improved business profits than ever. Some 433,000 full time jobs were created last year.

• (1650)

The same implementation that saw the economy grow resulted in the annual deficit being reduced by $4.4 billion, lower than was budgeted for the fiscal year ending in a couple of weeks. That is the reality. That is progress in deficit reduction.

If we are to compare ourselves with the G–7 countries on how well our economy is doing, it seems only reasonable to compare ourselves and our debt situation to those of the G–7 countries.

It is sad to say that our net government debt as a nation is over 84 per cent of GDP second only to Italy of the G–7 counties. In comparison the United States has a net public debt of 32 per cent of GDP, while Japan's is around 10 per cent. It was therefore mandatory that the finance minister demonstrate in the budget not only to the nations of the world but to the financial lenders that Canada was serious about reducing its deficit and the high per cent ratio of debt to GDP.

Investors have been satisfied with the budget as have Canadians, but I must remind the House that it is only the beginning of a series of tough budgets until we have won the war on debt.

Cuts in government spending mean pain. The budget is about pain. However the pain was spread fairly to all regions. In the west grain transportation subsidies were eliminated while in the east the Atlantic region freight assistance program was abolished. However both the west and the east including Quebec will receive transitional funding, helping alleviate shipper hardship and upgrade transportation infrastructure.

Last week when I was in my riding I met with public servants whose jobs are being cut because they are classified as surplus or because long established forestry agreements were not renewed. These people are feeling the pain of the budget. However, after looking at options in the transition, one forester said to me: "Even though we are losing our jobs this had to be done and I would still vote for your government".

The people of Nova Scotia did not want me to come here to whine about the cuts. They wanted me to congratulate the finance minister for having the courage to do what he did. The people of Nova Scotia have a tradition of self–reliance and a grassroots fighting spirit. They have an entrepreneurial spirit that goes back to shipbuilding and merchant fleets of the 19th century.

The people of Nova Scotia know that the backbone of the economy is small business and that jobs will come not from government but from the private sector. The economy of Atlantic Canada is the fastest growing in the country. Atlantic Canada ended 1994 with the highest rate of growth per capita. It was 2.7 per cent, the highest of all the regions, followed by the prairie region with a rate of growth per capita of 2.5 per cent.

Dairy farmers in my riding are like dairy farmers across the country. They will see their subsidies cut by 30 per cent over two years. Public utilities will see the energy subsidy eliminated through the Public Utilities Income Tax Transfer Act. Alberta and Nova Scotia are affected by the change. The Nova Scotia Power Corporation has already indicated that higher rates are to be expected, which in turn hinders small business development. There is pain with the budget, but as the old saying goes no pain, no gain. The people of Canada have accepted the pain knowing there will be real gain in the months ahead.

The women of Canada have a greater appreciation for the budget than anyone. Many women have spent their lives living within the household budget and living within their means. I would bet there is not a woman in the country who has not at one time or another in her life watered down the stew and thrown in another handful of barley simply to stretch the pot of stew for another meal. The money she would save would go to buy a dress or a pair of shoes for a child who has a very special

concert. I have done it many times. Thousands of women across the country managing Canadian households are the financial experts, and they too have done so.

• (1655)

Under the previous government the 1980s were a time of greed, surplus and waste. The 1990s under the present government are a time of basic need, not greed, a time of high efficiency and productivity, and a time of sustainability, not waste. It is a time to sustain our finances as well as our environment, our resources and our fish stocks.

We made a commitment to the women and the men of Canada to reduce the deficit while restructuring social policy. We take that commitment very seriously. The budget of February 1995 is more than a bunch of numbers. It is one part of a very large social plan, an economic plan as well as a financial plan that maps a prudent, courageous and credible path not only for our generation but, more important, for the next generation of young Canadians.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Madam Speaker, I listened carefully and was quite taken with the enthusiasm the member opposite showed for the budget. She talked about the budget being fair and talked in terms of understanding and knowing how the fairness is applied across the country. She talked about the policies of the government that were obsolete, dysfunctional or redundant being eliminated.

Those two matters have to be applied to the communities that I represent in Saskatchewan with the loss of the Western Grain Transportation Act subsidy, the Crow benefit, which the member mentioned in her remarks. The Crow benefit currently represents $560 million. Two years ago it was worth $720 million, $400 million of which applied to Saskatchewan.

How is it that the member can indicate that the Western Grain Transportation Act is obsolete, dysfunctional and redundant when it is anything but?

The loss of the Crow benefit to our communities at the delivery points in my riding represents approximately $1 million to each delivery point. The community of Glaslyn just north of where I live has two elevators and is quite similar to most communities in my constituency. We calculate that in the crop year beginning August 1, 1986 farmers at that delivery point will pay $1 million more for grain transportation in the coming year than they did in this year.

In terms of fairness, what other community in the country has been asked to give up $1 million in revenue? Absolutely none. Communities that service the world with grain from Saskatchewan have to pay extra. I ask the member for the evidence she has that these programs are obsolete, dysfunctional and redundant and that the budget is fair.

Mrs. Brushett: Madam Speaker, to the hon. member on his question as to what community has suffered pain, most of the communities across the country are suffering pain because we had to take the prudent steps in frugal fiscal management that we took. Canadians asked for it. The communities of Nova Scotia, the communities of Quebec and rural communities all have the same needs. The diversification and the competitiveness by which our farmers must meet the 21st century are parts of the budget.

Farmers in my riding, whether they are dairy farmers, feed producers or cattle producers, have told us to get rid of the subsidies. They said they could compete and would compete. Furthermore the government has allowed funding for transitional development through this period.

[*Translation*]

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Madam Speaker, I will try to be brief in my comments. We have just heard our hon. colleague tell us that she feels this budget is very tough on ordinary people but that it is a necessary evil. She used the phrase "no pain, no gain". That is what Canadians expect, according to her.

• (1700)

Yet, if we look at all the other members of her own government, we see that the hon. member for Notre-Dame-de-Grâce, for one, feels that social programs are not really the main cause of the debt. Not too long ago, the hon. member for York South—Weston said that what the Liberals were about to do was what they had denounced when the Tories were in office. Our hon. colleague has just read some documents reminding us of the comments made by the hon. member for Hamilton West, who said the exact same thing.

I will close with this: Given that the cuts they are about to inflict on ordinary people are due to Canada's debt and that, despite these cuts, the debt will continue to grow, does my hon. colleague not feel that, in the current situation, there will be much pain and no gain at all?

[*English*]

Mrs. Brushett: Madam Speaker, no pain no gain is the watchword of today. Not only this government, but businesses have had to cut back. They have had to make the transition to be competitive and now the onus is on government. We have accepted the challenge. This is a watershed in budget. This is a turning point in financing for the government. That is because the people of Canada have asked us to deal with this. It is mandatory.

We are moving into the 21st century. We know we will create the jobs not through government, not through subsidization, but through the private sector. Small business is the backbone.

Nova Scotia is not unlike Quebec. We have so much similarity. Historically, we can go back to a time when Quebec was known as Nouvelle–Écosse. This is so important to us because it is the very backbone. In Nova Scotia with a population of 900,000 we have some 90,000 small businesses. That is one in ten. That is growing in Atlantic Canada, the highest in the country. That is because we are taking the prudent steps to deal with the deficit. We will go through the pain but there will be gain in the end.

[*Translation*]

Mr. Benoît Tremblay (Rosemont, BQ): Madam Speaker, I will be sharing my time with the hon. member for Lévis. The show put on these past few weeks reflects how completely outdated our parliamentary institutions are when it comes to public financial management and economic policy.

After the session reopened, when questioned by the official opposition, the Minister of Finance systematically refused to answer any question dealing with public finance, arguing that we would have to wait for the budget to be tabled, a budget prepared in the strictest secrecy as budgets are. Yet, once tabled, the budget speech has nothing short of force of law, since the government majority is forced to support it without debating it in detail.

In our system, the vote on the budget amounts to a confidence vote, as a negative vote would immediately result in the government stepping down and general elections being called. It follows that any member of the government majority who dares to vote against this budget would face immediate expulsion from the caucus and would have to sit as an independent member thereafter.

That is why every Liberal minister and member will stand by each and every page, line and word of this budget, although many of them would call for major changes were they given the choice. The budget preparation and adoption process is getting us nowhere fast. It has to change. We will come back to this in the coming weeks. That being said, because I have very little time, I will get right down to the subject of today's debate.

We have talked at great length, these past few days, about the impact the budget will have on the various population segments that will bear the brunt of the proposed cuts and tax hikes. We too, in the official opposition, have seen through the media campaign designed to make this budget out to be the beginning of a new federalism, when in fact the federal government is passing the buck to the provinces, while maintaining decision–making power in its own hands.

• (1705)

After spending shamelessly in fields of provincial jurisdiction, the federal government still displays the same arrogance by announcing that it will keep on levying taxes, that it will no longer pay the bills, and that it will force the provinces to make the necessary cuts to put the fiscal house in order. Although it may look innovative, this budget uses old recipes which are typical of the federal government's approach.

The financial markets were quick to figure out the government's ploy. After an initial positive reaction which lasted about 22 minutes, the value of the dollar started going down again, while interest rates resumed their upward trend. The financial markets realized that the federal government's consolidation was minimal and that true leadership will have to come from the provinces.

The fact that Ontario's credit rating was put under review the day after the tabling of the federal budget is a direct consequence of that budget. Its impact on Quebec's public finances will also be considerable. However, since this is the referendum year, the real consequences will only be felt next year.

The government's ploy was not any more successful from a political point of view. That the Leader of the Quebec Liberal Party, who was desperately counting on this budget to prove federalism's flexibility, prefers not to comment at all at this point is quite revealing. Maybe he realized that although the federal government has pulled out financially, the same duplication persists, generating the same problems and the same inefficiencies.

This budget has yet to be fleshed out by a thorough restructuring of the federal government. As a society, we have not improved our ability to respond to people's needs and to meet the challenges of economic growth and job creation.

During the last election campaign, the Minister of Finance was an ardent supporter of reducing the deficit through economic growth and job creation. In a matter of months, he has become, at best, a poor accountant. What happened? The present Minister of Finance is largely responsible for the mess we are in today. After an election campaign full of promises that were close to being misleading, he was incapable of doing anything at all, starting with his first budget.

Remember that during the election campaign, the Leader of the Bloc Quebecois proposed a credible plan for reducing federal spending by $10 billion, while the Liberals promised to deal with the deficit through economic growth.

Remember that after the election, the Leader of the Opposition urged the government to act quickly by setting up a special committee of the House of Commons that would determine what

cuts were necessary and make them part of the government's first budget. The government refused.

I may recall that after this government's first budget was brought down, the Prime Minister was telling people everywhere in Canada that no new cuts would be necessary to meet his objectives for reducing the deficit. And now that we know what is in the second budget, we cannot really say that the Prime Minister was lying but there is no doubt that he misled Canadians about the real challenges they could expect.

Today we are paying a very high price for this government's refusal to act decisively in its first year. The loss of credibility on financial markets is reflected today in the astronomical level of real interest rates we have to pay. According to the Minister of Finance, in 1995 we can expect interest rates to be 4 per cent higher for the short term and 3.6 per cent higher for the long term than was forecast in the 1994 budget.

If we only consider the cost of servicing the federal debt, higher interest rates will an additional $7.5 billion, although the deficit is not as high as forecasted in 1994. Unfortunately, there are other consequences as well. The level of real interest rates forecast in this budget cannot be sustained when we consider that the Canadian economy is functioning well below its capacity.

• (1710)

Allow me to quote a short sentence from page 21 of the government's budget plan, but which the Minister of Finance took great care not to quote in his budget speech:

> The good economic performance in 1994 and 1995 will substantially reduce, but not eliminate, the amount of spare capacity in the economy. Spare capacity will persist through 1996 as real growth slows—

This is what the Minister of Finance hides in his fine speeches. He who promised to resolve the deficit problem through economic growth and job creation, today predicts that Canada will still experience an amount of spare capacity in the economy in two years' time. This is the real drama of the Canadian economy.

By refusing to act in the first year of its mandate, the government has clearly complicated the essential job of ensuring sustained economic growth. If we want to get out of the rut in which we find ourselves, the provinces must not be content with shouldering the cuts imposed on them by the federal government, they must insist on a complete reorganization of the way the Canadian economy is managed.

Keeping policies on economic innovation and adjustment centralized flies in the face of the very different needs of Canada's regional economies. What is the federal government doing in manpower training, in the area of fishing, for example? The complete fiasco in this regard should prompt the federal government to hand over responsibility to the coastal provinces as quickly as possible.

Clearly the systematic review of the roles of the federal government must no longer be conducted only in secret by federal mandarins. In the case of Quebec, I know we will soon have a favourable referendum. I hope the other provinces in Canada will take the opportunity to develop a framework that suits their needs and those of their people.

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Madam Speaker, I appreciate the words of the hon. member who just spoke.

I recall back in the early 1980s when the debate around the Crow rate, at that time the western grain transportation subsidy, was conducted in the House. The farm organizations and the people of Quebec were very supportive of the western farmers and the desire to maintain a strong transportation link for the export of prairie grown grain. That support carried over and a good number of changes were prevented from being made because of the alliance between western farmers and farmers in Quebec.

I wonder if the hon. member has given any thought to the current debate brought on by the budget over the Western Grain Transportation Act. Can western farmers count on the Bloc Quebecois and the farmers of Quebec for support in maintaining this transportation subsidy?

[*Translation*]

Mr. Tremblay: Madam Speaker, the issue is Quebec's support for western grain transportation subsidies. We must realize that agricultural organizations in Quebec never opposed the measure, as you said, and, on the contrary, supported it for years.

It is far from certain that the federal government has the means to continue subsidizing this area to the same extent. To me, one thing is clear: when the federal government implemented measures concerning energy, western Canada reacted very strongly and demanded changes which eventually were made. In my opinion, it is very clear that Canadian regions, with each totally different economies, now must work things out among themselves and stop waiting for the federal government to do it.

• (1715)

The longer we waited for the federal government, the more and more centralized the decisions became, even though the economies of each of the regions have grown increasingly differentiated. The economic space in which we sell our products is becoming more and more differentiated. Therefore, each region needs its own strategy, and that is what the rest of Canada urgently needs to understand. Do not expect the federal government to do it.

The mandarins in Ottawa, who like to delude themselves that they know the truth, will continue to set the game plan and will continue to think that they know what is best for Canada. It is time for the regions to wake up: they need to create their own transportation policies. They should no longer wait for the federal Minister of Transportation to do it. In any case, this is Quebec's firm belief, and I think that, after analyzing the situation, each region will also see the urgent need to take their affairs in hand.

I think that the vote planned on the sovereignty of Quebec this year, which I predict will be for sovereignty, presents a golden opportunity to reorganize economic relations. For example, a few years ago, Canada's economy exported 20 per cent of its output to the United States. Now, we have far surpassed 30 per cent and are even nearing 40 per cent. Therefore, a reorganization is urgently needed, but the federal government will not initiate it. Regions will have to take their affairs into their own hands.

Mr. Antoine Dubé (Lévis, BQ): Madam Speaker, it is as the official opposition critic on training and youth that I rise today to speak about the impact of the last federal budget on young people.

Like most of my official opposition colleagues, my initial reaction to this budget is that the federal government wants to transfer the blame for its cuts to the provinces.

On February 27, the Minister of Finance announced that, starting in 1996–97, he would reduce by $2.5 billion transfer payments to the provinces for health care, social assistance and post–secondary education.

By combining these three payments into a single consolidated block transfer called the Canada Social Transfer starting in 1996–97, the minister claims that "provinces will now be able to design more innovative social programs—programs that respond to the needs of people today rather than to inflexible rules. However, flexibility does not mean a free–for–all. There are national goals and principles we—meaning the Minister of Finance, of course—believe must still apply, and which the vast majority of Canadians support".

Such is the finance minister's flexibility. It involves national standards that Quebec does not want and never wanted in the first place. In this context, I think it would be a good idea to remind you of Bill C–28 respecting financial assistance to students, which was passed on June 23. This bill provides among other things that, from now on, the Canadian Minister of Human Resources Development, instead of the provincial governments as was the case before, will designate the appropriate authority in each province responsible for choosing educational institutions eligible for federal financial assistance.

Second, the provincial education ministers wanting the right to opt out with full financial compensation must convince the Minister of Human Resources Development that their provincial programs produce the same results as the federal programs in each of the areas targeted by the federal legislation.

Great freedom, is it not? You can develop programs, as long as they are absolutely identical to those decided on by the Minister of Human Resources Development, in an area of jurisdiction assigned to the provinces in the Constitution Act, 1867, an area of exclusive jurisdiction, not shared jurisdiction. Over the years, the federal government has encroached upon this exclusive provincial jurisdiction, pleading the right to spend the money of Canadians and of Quebecers.

• (1720)

Coming back to the cuts in transfer payments, it should be noted that the $2.5 billion figure quoted for all three categories combined in the Canadian social transfer is within $100 million of the cuts announced in the green paper with respect to post–secondary education. This leads to the conclusion that, give or take $100 million, the primary target of government cuts is post–secondary education.

By giving the provinces the choice while maintaining national standards, as it claims to do, the federal government will prompt the target groups benefiting from the three elements of the Canadian social transfer to turn against their provincial governments or fight among themselves to avoid cuts.

The federal government will create a situation where students will be competing with UI and welfare recipients. Our young people are the ones mainly concerned by these three programs.

In January 1995, there were 363,000 unemployed youth between the ages of 15 and 24 in Canada, over 100,000 of whom are in Quebec. If you add to that youth on relief—over 74,000 young people are on welfare in Quebec alone, but I do not have the total number for Canada—it makes for a terrible situation. It goes to show how little compassion this government has had for young people.

In light of a $2.5 billion cut in transfer payments to the provinces, combined with an additional 10 per cent cut in the UI program, the Minister of Finances was able to save enough last year to meet his targets. To meet his deficit reduction target for this year, the minister had to use the unemployment insurance fund, which now shows a surplus.

So to compensate for his improvidence, the Minister of Finance made cuts in unemployment insurance. The neediest in our society have to compensate for the incompetence of the Minister of Finance. This is appalling.

So what does the minister do to make his budget look good? He announces a temporary tax, for two years, that will raise $100 million from large deposit–taking institutions. But meanwhile, the government also makes cuts totalling $2.5 billion at the expense of the unemployed.

I see members of the Human Resources Development Committee who toured Canada with me. Like me, they were met by demonstrations in all major cities. Like me, they listened to the complaints of young people and the unemployed, especially in the Maritimes, about the cuts that will affect them. We will not be able to last until spring, was what we heard from the victims of seasonal unemployment. We heard them all, especially young people.

Today, as a result of a reduction in benefit periods, many are starting to feel the impact of cuts that were introduced last year. However, the $2.5 billion saved were, I repeat, used by the Minister of Finance to meet his budget target.

This is shocking, especially when we realize that last year, the banks made a record profit of $4.1 billion, and some banks managed to avoid paying any taxes at all. I am about to finish, Madam Speaker.

• (1725)

There are also the tax shelters. What did the minister do? Yes, indeed, the response to the official opposition's call for this for the past year and a half, was the announcement that implementation would take effect in 1999. That is impressive. They make the announcement four years ahead of time to the people who enjoy the benefit of family trusts, so that they can consult experts and find other ways to avoid paying tax. Four years ahead of time.

When could a Minister of Finance provide a better example, when does he tell interested parties four years ahead of time? We are not talking about the disadvantaged here. He did not warn the disadvantaged last year. He cut $2.5 billion dollars and, again this year, he is waiting for his budget speech to take effect and another 10 per cent cut is announced. We are supposed to find this funny? I do not find this funny at all, because I come from a riding where MIL Davie shipyards, among others, is located and where 2,000 jobs were lost. These people, who lost their jobs, are affected by the cuts to unemployment insurance and are now on social assistance. They are not finding this funny.

In the proposed reform, 90 per cent of associations, in addition to demonstrations, said no to Axworthy's reform and said no to the so–called improvements to the system. We know that increasing educational costs increases the debt load of students, at a time when there have already been 1,000 student bankruptcies in Quebec. Over 10 per cent of personal bankruptcies in Canada involve students or young people.

We ask them to give thought to the future. A fine message. A fine message, indeed. As the hon. member for Rosemont said, more and more Quebecers are realizing that, with no measures to enable people who want to return to the labour market, no active measures, a choice will soon have to be made. More and more Quebecers are realizing that the choice they have to make in the Quebec referendum in order to get out of this system that offers them little for the future is to vote "yes" in the referendum on sovereignty.

[*English*]

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Madam Speaker, I very much appreciated the words of the hon. member whose concern for youth I also share.

I was quite taken by the debate which began with the paper on social policy and particularly the section that applied to young people and tuition fees. The proposal would see additional money made available to young people, but the result would be a massive increase in tuition fees across the country.

Coming from a rural riding I am concerned for a number of reasons. The ability of farm families to meet some of the costs for post–secondary education are becoming more and more difficult with each passing year. I was quite taken with the words of the hon. member, especially when he quoted some of the figures from the corporations that do not pay any income tax.

I will be very brief. At a time when rural Canadian people, particularly those on the prairies, are being asked by the government to pay, because of the elimination of the Crow benefit, perhaps an additional $14,000 to $15,000 a year to ship their product to market, how can the government allow companies like Canadian Pacific to earn more than $422 million in pre–tax profits without paying a single cent in income tax?

I ask that question of the government. However, in doing so I ask the member who just spoke if he would agree with me that it is certainly not fair for corporations to be allowed off the hook when ordinary, individual, rural families are being asked to pay so much more, thereby compromising the education of their children.

[*Translation*]

Mr. Dubé: Madam Speaker, my reply will be extremely simple. Why are they not changing the system? Because, for the most part, and here I must admit that the Reform Party may be an exception, Canadian political parties have traditionally been financed by big business.

• (1730)

Six of the 10 largest corporations which financed parties in power—the Liberal Party now and the Conservative Party in the past—were banks. And we should be surprised that banks have a

lot of influence on governments, interest rates, etc.? This obviously affects people earning low wages and farmers who need to borrow large amounts and it will affect students more and more because in the future they will have to borrow at least twice the amount that they currently need to pursue graduate studies.

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Madam Speaker, I listened with great interest to the speech made by the hon. member for Lévis. First of all, I found it most interesting that he was defending the status quo, and Canadian federalism, when he indicated that he hoped that there would be no social program reforms, that he was a member of the parliamentary team which toured Canada, and that he had heard various comments regarding the reforms proposed by the Minister of Human Resources Development.

The member defended ardently and with great enthusiasm Canadian federalism and the status quo while the Liberal government has realized that, at the international level, things are evolving, and quite naturally so. As Liberals, we want to make sure that the future of Canadians, including Quebecers, will be much more promising than now.

I would also like to mention that Quebecers understand perfectly that the changes brought upon by this government are necessary to the future well–being of their children. I refer our colleague, the member for Lévis to a documentary, a survey conducted in Quebec, on the quality of instruction in the CEGEPs, which, after all, are the responsibility of the Quebec government. The results are not too encouraging for young people. I believe, therefore, that we should start putting our own house in order.

Mr. Dubé: Madam Speaker, I want to thank the hon. member for Madawaska—Victoria, especially for her easy victory over the former minister of unemployment insurance cuts. We will not mention his name, but I want to congratulate her for that. However, she does not get so much praise for her inconsistency last year, when the first budget of her government was handed down and she supported cuts similar to those proposed by the member she helped to defeat.

However, as far as the status quo goes, we do not want any part of it. She misunderstood what I said at the end of my speech. We said that the federal government should mind its own business in the area of post–secondary education, respect areas of jurisdiction and transfer tax points because it is making expenditures in other sectors of education in Quebec. It should do what all the members of the National Assembly of Quebec are asking, even the Liberals.

[*English*]

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Madam Speaker, it is a pleasure for me to join in the budget debate. The budget was the defining moment in Canada to develop a new direction in its financial dealings and also a new direction in the way the government does business with its people.

The budget was coherent. It had integrity and a sense of purpose. Every feature presented to us met all three of those features, coherence, integrity and purpose.

The overriding goal of this government since the day it took power has been jobs and growth. We believe good economics and good social policy are one and the same thing. In the most fundamental way good social policy begins with a good job.

• (1735)

We believe a country that continues to care for its citizens must be a country that can pay its bills. We must respond to the challenges of our time. We must adapt to the new economy, the new infrastructure based on ideas and innovation. The very nature of government must change. We must develop a new notion of responsibility. The time has long passed when governments can or should do everything.

Several major things have happened. The world economy has become truly integrated. We must think globally. Trade barriers have been brought down. Communications are instant and transportation is swift. Markets never sleep. There are no longer any islands. Like it or not, there is no place to hide.

Since 1984 our debts have risen by three times. Compound interest is gobbling us up a second at a time. The government has a two track approach, sustained and sustainable economic growth. Growing economies produce jobs. Economies that are not growing produce no jobs. The key to growth is productivity. Productivity is about how well ideas, workers, resources and investment are brought together in a country's economy. Productivity is about ingenuity, better management and paying attention to the common sense of our workers.

High productivity growth increases income. How do we do it? We must improve our skills. We must have better innovation. We must provide a welcoming climate for investment. We must remove disincentives that we have created for people and for businesses. We must get our fiscal house in order.

This budget's plan for action introduces far reaching action to restore the fiscal health essential for a strong, growing economy. The budget will fundamentally reform what government does and how. It will bring permanent change in the way government does business. The objective is to get government right so it can fill its social and economic mandates and be more effective and sustainable will include deep cuts in the level of federal program spending, not simply lower spending growth, but substantial reduction in actual dollars.

One of the things that gives this government integrity is that its plans have been prudent and it has met its targets. The budget actions have delivered on this government's commitment to

meet its interim deficit targets and the ultimate goal is a balanced budget.

The interim deficit target is 3 per cent of the gross domestic product for 1996–97. We will be achieving the usual prudent economic exceptions, incorporating credible fiscal action. The deficit could be well below that if economic performance is in line with the average private sector estimates. Significant reforms will ensure that spending will be restrained beyond 1996–97 and the deficit will continue to fall.

What are the major elements of expenditure reform? This budget is the second in a two stage process that began with the February 1994 budget. It takes fundamental action certain areas. It implements results of the long overdue program review and a comprehensive examination of federal department spending. As a result the government will focus on what is essential and we will do it better.

It acts on a new vision of the federal government's role in the economy. It includes substantial reductions in business subsidies.

• (1740)

It introduces major changes in transfers to the provinces that will renew and modernize the federal–provincial fiscal regime, making it more effective, flexible and affordable.

The major fiscal actions in the budget total $29 billion over the next three years, by far the biggest actions of any Canadian budget since the second world war and demobilization. There will be about $7 in expenditure reductions for every $1 in new tax revenues. This is the most significant event since that era.

Three years from now federal spending in programs will be $10.4 billion lower than it is today, approximately 8.8 per cent. The cumulative expenditure savings in that period will exceed $25 billion.

A fairer tax system and sharing the burden of debt and deficit reduction is the goal of this government. The budget reflects the government's awareness and the heavy tax burden borne by Canadians and the cost this imposes on the economy. There are no increases in personal income taxes in the budget. Tax measures are largely directed at removing preferences and increasing fairness. To help meet deficit targets the budget announces increases in taxes on business and an excise tax on gasoline.

Significant features in the budget are jobs and growth. Economic growth is strong. The Canadian economy is stronger than it has been for many years. Real output was about 4.25 per cent in 1994, the fastest of the G–7 countries. There have been 433,000 new jobs created, all of them full time. The unemployment rate has fallen 1.7 per cent to 9.7 per cent this year. Manufacturing output is up a full 9 per cent. At 1.5 per cent, excluding the effects of the tobacco tax, it is the lowest rate in three decades.

Labour costs have fallen by 1.3 per cent since mid–1993. We have a trade surplus. We have a dramatic improvement in the current account and the highest business confidence since 1979. We have been picked by the OECD to be the fastest growing economy in 1995.

The budget will meet the targets set out in it and will meet the red book projection for jobs and growth for Canadians.

[*Translation*]

Mr. Nic Leblanc (Longueuil, BQ): Madam Speaker, after listening to the hon. member for Perth—Wellington—Waterloo talk about this excellent budget in terms of job creation by the business sector, I think that he is probably mistaken. We will continue to have an enormous debt and enormous interest payments on this debt and we will have to keep borrowing from the countries to which we already owe this debt.

Some say that the deficit has been reduced, but it has merely been passed on to the provinces. For example, in the years to come, Quebec will receive $1.5 billion to $2 billion less each year. The federal government says that it may return $1.5 billion less to the province of Quebec. We all agree with that and we would even have preferred that it not return anything to Quebec but that it not tax Quebecers any more.

Finally, what the federal government is doing is not only to continue taxing Quebecers as much as before, but to tax them even more. Moreover, the federal government is increasing the debt of Quebecers by $7 to $8 billion for next year alone. This means that Quebecers will again become poorer and poorer.

When the government says that it wants to transfer to the provinces the responsibilities that belong to them, it must also reduce their tax burden.

• (1745)

But all the government is doing is transferring to the provinces, and especially to Quebec, the burden of the debt and the deficit as well as the horrible task to manage the deficit, a bigger chunk of which Quebecers will be asked to take upon themselves, since the federal government continues to increase taxes while reducing transfers to Quebec. This is unfair and seems to me like a very clever trick designed by the government. I hope Quebecers will see through all this and will understand what the federal government is doing to Quebec by reducing transfers and increasing taxes for Quebecers.

[*English*]

Mr. Richardson: Madam Speaker, the hon. member for Longueuil points out the tragic part of our fiscal problem. It will be difficult to get our fiscal house in order because of the nature of compound interest and the running up of deficits. The plan is

a simple one and is the total purpose of this deficit oriented budget.

I mentioned it was two track. We will grow with it and out of the growth will come jobs and taxes paid back into the treasury. At the same time we will continue to reduce government operations by cuts and by making it more efficient. It will not be easy.

We have heard debate in the House over the past four or five days saying that we have done too much cutting. Others have said that we have not done enough. There is a fine balance and I think we have found that fine balance in this budget.

Mr. Leon E. Benoit (Vegreville, Ref.): Madam Speaker, the hon. member in his presentation said that he was quite proud that the government has met the deficit reduction target of 3 per cent of GDP in three years. The member stated that beyond 1996–97 the deficit will continue to fall under a Liberal government.

If this is the case why does the Liberal government not set a definite date for arriving at a balanced budget? Why does it not set a definite target? The positive results of setting a definite target will be that businesses will expand and new businesses will start up. That is what creates jobs. A positive effect would be lower interest rates and security for social programs which cannot be provided under this continual overspending.

Why will the government not commit to a definite date for eliminating the deficit?

Mr. Richardson: Mr. Speaker, the government has gained integrity. It has set targets. It is hitting the targets. The more we bring down the deficit the more the membership in the Reform Party goes down. I hope in the four years we keep bringing it down. When we get to zero I hope the membership in the Reform Party is zero.

Hon. Roger Simmons (Burin—St. George's, Lib.): Madam Speaker, first let me congratulate my friend and colleague from Perth—Wellington—Waterloo.

I want to say a few words on the motion of the hon. member for Saint–Hyacinthe—Bagot. It goes without saying that I do not agree with the sentiments in his amendment. If we read what he is saying about offloading on the provinces and doing nothing for the unemployed and so on, I do not believe even he believes that really. It is a nice motion, nicely worded and grammatically correct, but factually incorrect, very incorrect, almost to the point of being irresponsible.

Sure the budget is tough. Is it tough enough? It depends on whether we listen to the Bloc or the Reform. The Bloc says it is much too tough and the Reform says it is not tough enough. I guess that means, as I say to my friend from Lotbinière, that we are probably doing something right over here.

It is a tough budget but it is not tough for the sake of being tough. There are people in this world who get their jollies out of doing tough, rough and crude things. This is not a tough budget for the sake of being tough. This is tough of necessity. This is the way we had to go.

• (1750)

Mr. Benoit: Oh, oh.

Mr. Simmons: That is one of the not tough enough people who just spoke. It is a good opportunity for the gentleman from Vegreville. Does he disown or want to be part of the so–called Reform budget? Is he part of that budget? If so, let his constituents know that he would slash old age pensions to start with. It is not that kind of tough.

Some hon. members: Oh, oh.

Ms. Clancy: You tell him Roger. Who are these people?

Mr. Simmons: I say to my friend from Halifax that it is all right. We have just demonstrated that sometimes these people sing in tune. From time to time they sing in tune.

Madam Speaker, despite the heckling and despite the shouting, the government and the Minister of Finance are on the right track. Is it a perfect budget? No. We are working at getting it right. There are some things in the budget that I do not like. There are some things that other people do not like. On balance, is it the right approach? Yes.

One of my constituents told me—

Mr. Speaker (Lethbridge): That's because you are listening to us.

Mr. Simmons: The gentleman from Lethbridge has had 30 years to get it right. I bow to his wisdom on many points.

One of my constituents phoned me—

Mr. Thompson: Why aren't you out there looking for ships?

Mr. Simmons: Is the gentleman from Wild Rose not interested in what one of my constituents said? Would he deny that constituent the right to be heard here through me?

One of my constituents called and said, "Simmons, did you really clap for that budget? Did you applaud that budget?" I proceeded to tell him why, indeed, I did clap for the budget. I started by saying: "Is it the best thing in the world? Is it what we would really have liked to have done if circumstances were absolutely right? No". Then I put it to him in terms of his family budget. I said: "What a great morning it would be if you could get up and say to your wife, 'This month I have a plan. We are going to buy that Cadillac we have always wanted, the yacht and the extra skidoo'". She would say: "How are you going to do that?" "We are just going to borrow more. Whatever we need we will borrow."

Contrary to Reform doctrine there is nothing particularly sinful about borrowing. If so, many millions of Canadians sin every day on that score. Borrowing is not to sin. Being unable to pay back the loan is a sin.

The credo that says that somehow it is a great crime to borrow is not the issue and that is not what I was saying to my constituent. I was saying that it is a sin if we borrow beyond our capacity to pay back. As I took him through the example I said: "Suppose you say to your wife that you are going to buy the Cadillac, the skidoo, et cetera, and she asks how you are going to get the money and you say, 'We will borrow more. If that is not enough we will borrow more after that'".

Eventually, of course, he put the question to me: "Do you have to pay it back?" I said: "Forget paying it back, just pay the interest on it". Then he said: "Does that not get to the point where you are using all of your income to pay interest?" I said: "Buddy, you have it. You have exactly the problem that the Minister of Finance had".

I told my constituent there was another approach. He could say to his wife in the morning: "Let us pay off all our bills right now. Do not buy any groceries. Tell the youngsters they will not eat for six months because we are paying off the debt". He said: "Come on, Simmons, what are you giving me?" I said: "Basically the Reform budget". "Do not eat now youngsters, just hold your breath. Do not get too thirsty or hungry for six months because we will be back when all the bills are paid."

We cannot do that. What the Minister of Finance had to do, and what I support him in doing, was to present this necessarily tough budget that goes down the middle. It tries its best to reduce the debt and at the same time tries its best to maintain essential programs.

• (1755)

Some hon. members: Oh, oh.

Mr. Simmons: Madam Speaker, I understand that some of my friends in Reform do not agree with that. It pains me to stand here and say something they do not agree with. Sometimes we do not agree on every point. One of the things we do not agree on is that we need a slash and burn budget, that we have to have a budget that destroys essential programs. There is another way.

They shake their heads at me. I am just a bumpkin from Newfoundland. Let me read for them what some other people are saying. I will let them decide whether they are bumpkins and where they are from.

This is what somebody said: "Martin's '95 budget chewed heavily into spending reductions while taking a relatively light tax bite. The result is a budget the Canadian economy should be able to digest without an extreme amount of heartburn or acid indigestion". That person was not from Newfoundland.

Another person said this.

Some hon. members: Oh, oh.

Mr. Simmons: Have respect. These are legitimate Canadian citizens who have a right to speak. A second one said this: "Ottawa treats deficit and debt as a serious problem to be dealt with prudently. There is no crisis mentality here. Indeed, there is ample time to plan orderly change rather than risk the chaos that swift and deep cuts can bring". That was another Canadian.

This is one other: "It's the budget—"

Mr. Morrison: What institution is he in?

Mr. Simmons: I am glad the member for Swift Current—Maple Creek—Assiniboia asked that question because he is going to get the answer in a moment.

A third Canadian said the following: "It's the budget that grassroots Canadians said long and loud they wanted from this Liberal government. It meets the crucial criteria of leaving money in the pockets of those ordinary Canadians. It heeds the message that there is simply not time to lose in getting this country's deficit and debt under real control in very short order".

Three great Canadians. One edits the Calgary *Herald.*

Some hon. members: No, no.

Mr. Simmons: One is a Toronto paper and they have written off that part of the country. Their views do not count. There goes Newfoundland. There goes Toronto. We are up to four million people that do not count so far. Let us keep going.

Let us let them show their cards on this one. The second person who said there is no crisis mentality here and it is a matter of orderly change is the editor of the Edmonton *Journal*

Mr. Morrison: Another colonial paper.

Mr. Simmons: The Southam. Now we write off the Southams and we write off the colonials. The third great Canadian edits the Calgary *Sun.*

Some hon. members: Oh, oh.

Ms. Cohen: You are quiet now. No response.

Mr. Simmons: I see my time is up unfortunately. We are saying that there are viewpoints in western Canada other than those brought here by the Reform Party.

Mr. Myron Thompson (Wild Rose, Ref.): Madam Speaker, I rise on a point of order. Being a rookie in the House, I am not too sure if I am doing the right thing. You can help me if I am not.

I seek unanimous consent for a motion that I would like to move at this time. Under Standing Order 52 I move:

That this House do now adjourn for the purpose of discussing the rail strike.

The strike now includes the longshoremen. In turn it is having a devastating effect on exporters and farmers throughout the nation. People are being laid off by the hundreds at this very moment. This is an emergency and I ask for unanimous consent to debate it at this time.

The Acting Speaker (Mrs. Maheu): The House has heard the motion. Do we have unanimous consent?

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): Unfortunately the member does not have unanimous consent.

Mr. Thompson: Now we know how they feel about the country.

Mr. Benoit: Madam Speaker, on a point of order I would like to say that it disturbs me—

• (1800)

[*Translation*]

Mr. Jean Landry (Lotbinière, BQ): Madam Speaker, I rise on a point of order. I believe this motion is out of order.

The Acting Speaker (Mrs. Maheu): I would like to remind the hon. member that the motion has not received the unanimous consent necessary in order to be debated.

[*English*]

The hon. member for Vegreville has the floor on questions or comments.

Mr. Leon E. Benoit (Vegreville, Ref.): Madam Speaker, I have a question for the hon. member who just spoke. He talked about how the Liberal budget will do a wonderful job and how it will solve the problem in terms of the present fiscal situation.

How will the hon. member explain to his constituents the loss of jobs, increased and continued high interest rates and eventually the lost social programs that will result from the inactivity of the government?

Let me refer to the interest costs on the debt that have increased from $39 billion from the time the government took office. They will be $51 billion, just the interest payments on the federal debt, by the end of the three–year budget period.

How will the hon. member explain this to the people in his riding who are looking for jobs, looking for relief from high interest rates on their mortgages, and looking for security in social programs?

Mr. Simmons: Madam Speaker, I thank my friend from Vegreville. On the matter of jobs he will know that independent statistics show that 433,000 new additional jobs have been created in the last year and a half.

On the matter of interest rates I would say to him kindly that he is less than honest if he gives the impression that a government of any stripe controls interest rates. As a government we can help create the climate but many elements outside the country determine interest rates.

Yes, the rates are high through no fault of the government. They came down a bit today because of forces outside of our control and his control. He mixes a number of items that are completely unrelated in my view.

If the members wants a yardstick he can look at the Statistics Canada figures which show that Canada's unemployment rate is the lowest in eight years. We must be doing something right.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Madam Speaker, I listened with a great deal of interest to the comments on the budget made by my colleague from Burin—St. George's. Of course, the hon. member found a very simple way of explaining the deficit Canada is now facing by using the vivid image of the discussions he had with his wife. I could tell him that I too had similar discussions at home, but I also went to my constituents to sound them out while Parliament was in recess.

My constituents often tell me that what they want to see most is the federal government setting an example of good management. I have a few examples, such as MPs' pensions. It is surprising that our old hand from Newfoundland made no mention of members' pensions and that his leader said "give me one day and I will solve the problem of MPs' pensions".

Unfortunately, I would like to tell you about the case of the windows in the building on the other side of the river. Madam Speaker, you are interrupting me. Unfortunately, good management is what this government is lacking. There is no vision of the future.

The Acting Speaker (Mrs. Maheu): I am not interrupting you, but unfortunately your time is up.

• (1805)

[*English*]

Mr. Simmons: Madam Speaker, my friend from Frontenac demonstrates that I have difficulty communicating from time to time. He misheard me or I misstated it. It was not my wife; it was another man's wife.

On the matter of pensions there is a basic difference between him and me. He does not plan to be in the country long enough to draw a pension. I do.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, it is a great privilege to set the record straight on the budget.

Members across the way have spoken about hitting targets. All they are going to hit with the budget is a debt wall. They are

talking about hitting the right track. All the track is going to lead to is a catastrophic economic crisis in Canada.

I will illustrate where we are, where we were and where we are going. We had a $550 billion debt and a $220 billion debt provincially which is increasing all the time and has been increasing for the last 20 years. We take in about $120 billion every year and spend about $160 billion.

Last year the government had to borrow $40 billion to meet its obligations. In three years time another $100 billion will be added to the debt, which will increase the amount of money we have to borrow and the interest payment to $50 billion.

Furthermore it will decrease the amount of money we have to spend on government programs from $120 billion to $102 billion. It does not take a rocket scientist to figure out that we have a significant shortfall in the amount of available moneys to carry out government programs, in particular social programs that underprivileged individuals rely on for their well–being.

With the shortfall two things will happen. We will either have to make it up in an economic growth and/or increase taxes. There is no way the economy can possibly make up $18 billion in economic growth. The government will be forced to increase taxes. Furthermore it will crush the life out of the economy and compromise our social programs by having more people obligated to use them. That is the reality.

I will look at a few specific problems in the country. The government disguised its cuts irresponsibly in many ways. First and foremost it said it made cuts. It has actually removed money from the provinces, over $8.5 billion worth. Where does this fall? It will be on the shoulders of the taxpayer, the end point at every level. It is completely unfair and unconscionable.

We in the Reform Party gave the government a budget in two phases. One was in November last year and the other one was before its budget came down. We worked through the process and indicated the solutions to get our country back on track. The government ignored them.

We proposed cuts to the provinces but we proposed to give the provinces tax points to enable them to raise money to fund the programs they want. In effect it is a division of labour and a reduction in duplication. We also proposed a reduction in duplication at the federal level to effect a net savings to the taxpayer.

Let me speak about two specific areas that are close to my heart and close to the hearts of all Canadians. One is health care and the second is post–secondary education. Currently health care costs are rising dramatically, far greater than our gross domestic product, due to expensive technology and an aging population. The situation is not going to get better but is going to get worse.

Funding on the other hand has been stagnant. The government has taken $8.5 billion from the envelope of funding to health care costs, further exacerbating a staggering problem. It has in effect penalized the provinces to get its own so–called funding under control. In the same vein it has said to the provinces that they cannot raise any funds because they will be shackled to the Canada Health Act.

• (1810)

The government has said that it does not want cash register medicine. It does not want to compromise health care. Neither do we in the Reform Party. We are obligated to ensuring that everybody receives essential health care services in a timely fashion, which is not happening right now.

We have proposed that the Canada Health Act be amended to ensure that the provinces have the power to raise the funding and that the government takes it upon itself to ask Canadians to define essential health care services. Once we define the services we will ensure that everyone in the country regardless of income will have the services covered, which is not happening currently.

I will give a couple of examples. A lady in my riding has vertigo, a spinning sensation. She sees things. She probably has a brain tumour in the base of her skull. In Victoria she will have to wait two months just to get her CT scan and her MRI scan is booked on the 12th of never. I ask members to put themselves in her shoes and think about how they would feel. The reason this is the case is that there is not the money for her to have this essential health care service. I could go on and on about many other cases but there is not the time.

The government has also said that our proposal provides for a two–tier health care system. Yes, it does, but we have maintained that it is better to have a two–tier health care system that provides better services for all people than the same two–tier system we have now that is providing progressively poorer health care for all people.

The other aspects about health care are in the realm of the provinces. I do not have the time to discuss them here, but they have responsibility for managing them.

The most important factor in determining employability in the future is post–secondary education. The government has pillaged the amount of moneys available to post–secondary education, further compromising the ability of students to have the skills necessary to compete in the coming economies of the future. That is something we will collectively pay for and pay for in a large way.

We in this party have proposed the income contingent loan replacement scheme, ensuring that funding goes to the provinces. We would make a small cut but also give them the tax points to raise the funds necessary to provide for post–secondary education.

I went to Francis Kelsey Secondary School in my riding last week that looked into an interesting initiative. It looked into the future to determine the economic needs of the country. It is telling its students where the jobs of the future will be. The government should take it upon itself to direct and advise provinces of the economic needs of the country in the future so that they will be able to direct their education programs in that direction.

I would like to make a few points. The budget has added $100 billion to the debt and has severely compromised our social programs much more so than anything that has been done in the past five years. Rather than have a slash and burn policy economically, which is what the government has proposed, we have put forth the only effective solution to save health care, social programs and the other essential programs and to help those most in need. We are trying to preserve the framework of the social net of which we are so proud.

We would take the moneys from the upper third of the income brackets. We feel the moneys we are borrowing now to pay for the debt are in effect being borrowed from future generations.

In conclusion I would say that we in this party are more than happy to help the government out to have a balanced budget but we need to do it within the next three years. Otherwise those who will suffer most are those who can least take care of themselves.

The Acting Speaker (Mrs. Maheu): It being 6.15 p.m., pursuant to Standing Order 84(5), it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the amendment now before the House. The question is on the amendment.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Call in the members.

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

(*Division No. 166*)

YEAS

Members

Asselin
Bellehumeur
Bernier (Gaspé)
Bouchard
Bélisle
Caron
Crête
de Jong
Deshaies
Duceppe
Fillion
Gauthier (Roberval)
Guay
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Shefford)
Ménard
Paré
Pomerleau
Robinson
Sauvageau
Taylor
Tremblay (Rosemont)
Axworthy (Saskatoon—Clark's Crossing
Bergeron
Blaikie
Brien
Canuel
Chrétien (Frontenac)
Debien
de Savoye
Dubé
Dumas
Gagnon (Québec)
Godin
Jacob
Landry
Laurin
Lebel
Lefebvre
Loubier
Nunez
Plamondon
Riis
Rocheleau
St-Laurent
Tremblay (Rimouski—Témiscouata)
Venne—50

NAYS

Members

Abbott
Adams
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Benoit
Bertrand
Bevilacqua
Bonin
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Brushett
Bélair
Calder
Cannis
Cauchon
Chatters
Clancy
Collenette
Crawford
Cummins
Dingwall
Dromisky
Dupuy
Eggleton
Epp
Finestone
Flis
Frazer
Gagliano
Gerrard
Godfrey
Graham
Grose
Guarnieri
Hanrahan
Harper (Calgary West)
Harper (Simcoe Centre)
Hart
Hermanson
Hill (Macleod)
Hoeppner
Ablonczy
Alcock
Anderson
Assad
Augustine
Baker
Bellemare
Bernier (Beauce)
Bethel
Bodnar
Boudria
Bridgman
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Chamberlain
Chrétien (Saint-Maurice)
Cohen
Collins
Culbert
DeVillers
Discepola
Duhamel
Easter
English
Fewchuk
Finlay
Fontana
Fry
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gilmour
Goodale
Gray (Windsor West)
Grubel
Hanger
Harb
Harper (Churchill)
Harris
Hayes
Hickey
Hill (Prince George—Peace River)
Hopkins

Ianno	Iftody
Irwin	Jackson
Jennings	Johnston
Jordan	Karygiannis
Kerpan	Kirkby
Knutson	Kraft Sloan
Lastewka	Lavigne (Verdun—Saint-Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Lincoln	Loney
MacAulay	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Marchi
Marleau	Martin (Esquimalt—Juan de Fuca)
Martin (LaSalle—Émard)	Massé
Mayfield	McClelland (Edmonton Southwest)
McCormick	McGuire
McKinnon	McTeague
Meredith	Mifflin
Milliken	Mills (Broadview—Greenwood)
Minna	Mitchell
Morrison	Murphy
Murray	Nault
Nunziata	O'Brien
O'Reilly	Ouellet
Paradis	Parrish
Payne	Penson
Peric	Peters
Peterson	Phinney
Pickard (Essex—Kent)	Proud
Ramsay	Reed
Regan	Richardson
Ringma	Ringuette-Maltais
Robillard	Rompkey
Schmidt	Scott (Fredericton—York—Sunbury)
Shepherd	Silye
Simmons	Skoke
Solberg	Speaker
St. Denis	Steckle
Stewart (Brant)	Stewart (Northumberland)
Stinson	Szabo
Telegdi	Thalheimer
Thompson	Torsney
Ur	Valeri
Volpe	Walker
Wells	Whelan
White (Fraser Valley West)	Williams
Young	Zed—182

PAIRED MEMBERS

Members

Bachand	Bernier (Mégantic—Compton—Stanstead)
Comuzzi	Dalphond-Guiral
Daviault	Guimond
Hubbard	Keyes
Leroux (Richmond—Wolfe)	MacDonald
MacLaren	Mercier
Patry	Picard (Drummond)
Robichaud	Terrana
Wayne	Wood

• (1840)

The Acting Speaker (Mrs. Maheu): I declare the amendment lost.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

HUMAN RIGHTS

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Madam Speaker, on March 4, 1986 then Minister of Justice, John Crosbie, stood in the House and promised to amend the Canadian Human Rights Act to prohibit discrimination based on sexual orientation.

Today, almost 10 years later, we are still waiting for that promise to be kept. The Prime Minister in 1993 made a firm commitment on the eve of a federal election. He stated the Liberal Party of Canada is firmly committed to banning discrimination on the basis of sexual orientation.

The Prime Minister went on to say in July 1993: "I will not lie. I will not be a Mulroney who made promises and never kept them. I am not that type of politician".

We are still waiting, not for any kind of special rights or privileges but for basic equality. I have here a letter written in November 1993 by the Minister of Justice: "The government remains committed to amending the Canadian Human Rights Act to add sexual orientation as a prohibited ground of discrimination. I will introduce this legislation before the House rises in December".

This is yet another in a long and sorry string of broken promises. What does the Prime Minister have to say now? He said in January that they have four more years in their mandate, and that it is important these amendments receive the full benefit of debate and consultation.

[*Translation*]

What I find incredible is that this amendment to the Canadian Human Rights Act to include sexual orientation has already been debated for over ten years.

In Quebec, it has been in place since 1977. Quebec was the first province to eliminate and to prohibit discrimination based on sexual orientation. Now, ten years later, there will be a referendum and, frankly, I think that Quebecers must be wondering when the government is going to keep its promises. Gay and lesbian Quebecers in particular must be wondering when the government will follow the example of leadership set by Quebec on this fundamental issue.

• (1850)

[*English*]

It is essential this amendment be brought into force partly because there is still widespread discrimination at the workplace, discrimination in extending benefits, the benefits in recognition of gay and lesbian relationships, and discrimination in recognizing families of gay and lesbian people.

I hope the Parliamentary Secretary to the Minister of Justice will take this opportunity not to tell us, as the Minister of Justice does, that we remain committed to the principle of this commitment, but that at last this government will move forward on the question of basic justice and equal rights.

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Madam Speaker, the hon. member for Burnaby—Kingsway asked a question of the Minister of Justice about the amendments to the Canadian Human Rights Act in the House on December 9, 1994.

In reply, the Minister of Justice reiterated the commitment of the government to amending the Canadian Human Rights Act to prohibit discrimination on the grounds of sexual orientation. He also said the main point is this principle is undiminished and the issue of timing should not be the central concern.

On August 6, 1992 in a case brought under the equality guarantees of the Canadian Charter of Rights and Freedoms, Haig and Birch v. Canada, the Court of Appeal for Ontario ordered that the Canadian Human Rights Act must be read to include that ground as of that date and be administered accordingly. The Attorney General did not appeal the order to the Supreme Court of Canada.

The government views this as the current and correct state of the law. Thus, gay and lesbian Canadians can already file complaints with the Canadian Human Rights Commission should they find themselves refused a job or a service because of their sexual orientation. Complaints can be filed and the act's protection sought on this ground.

What is left is the very important symbolic act of making the Canadian Human Rights Act reflect the current state of the law. The amendment to which the government is committed would give Parliament the opportunity of bringing the act up to date. It will also bring the federal government into the ranks of the eight provinces and territories, Quebec, Ontario, Manitoba, Yukon, Nova Scotia, New Brunswick, British Columbia and Saskatchewan, which have already amended their human rights legislation to add the grounds of sexual orientation.

This government wants to add the federal laws against discrimination to the list of governments that have joined in this fight against discrimination and thereby assure Canadians of the same high standard of protection at the federal level.

THE TREASURY BOARD

Mr. John Williams (St. Albert, Ref.): Madam Speaker, a week or so ago I asked the President of the Treasury Board to explain the increase in the estimates where the budget for the Treasury Board was being increased to accommodate 10 additional executives at a cost of $3.5 million.

The reply we received from the President of the Treasury Board, from *Hansard* of March 2, 1995, page 10272, was totally inadequate:

> Let me tell you, Mr. Speaker, that overall the executive ranks in the public service have been reduced over the last four years by some 26 per cent.

When I asked a supplementary question because it seemed to me he did not have the grasp of the question, he responded:

> Mr. Speaker, I do not know from where the hon. member gets those figures. There is no increase in the staff at Treasury Board.

I beg to differ. The estimates, part III, page 2–43 under activity resource summary quotes management for the Treasury Board, 1994–95 forecast, at 75 full time equivalents at a cost of $6,294,000. The estimates for 1995–96 are for 85 full time equivalents, an increase of 10, at $9,811,000, an increase of $3,517,000.

• (1855)

These quotations are from the estimates prepared by the President of the Treasury Board and tabled in this House by the President of the Treasury Board. Yet, when we ask him a question about his own department, he unfortunately does not know the answer.

The President of the Treasury Board is going to be laying off 45,000 civil servants. These are real people who have families and careers. Their futures are being dashed. At the same time, while these people who perhaps are at the lower end of the civil service scale are being turfed out on the streets, albeit with pension plans and severance packages, we now find out that the Treasury Board is hiring 10 more people at an average cost of $350,000 each.

I do not know what the President of the Treasury Board has in mind with 10 executives at that price. However, if he has anything else in mind other than hiring executives, then there is a total distortion of the facts in the way they are presented here. If he intends to hire 10 more executives, surely he owes this House some justification as to why he intends to pay each of them $350,000.

It is disgraceful that these figures are being presented to us at the same time as the government is downsizing the civil service. We as Reformers have said that you start at the top. You cut at the top. You have no moral authority to cut at the bottom until such time as you have cut at the top.

Therefore, I think the President of the Treasury Board should cut that out of the estimates now so that there is no increase in the executive ranks of the Treasury Board.

[*Translation*]

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Madam Speaker, frankly I am very disappointed to hear such an irresponsible analysis. The President of the Treasury Board indicated clearly to the member for St. Albert that there had been no increase.

The president undertook, on March 2, to look into the specifics of the matter and to provide him with additional information. And that is what I am doing this evening. I would like to provide a more detailed answer.

[*English*]

I hope there is no attempt on the part of Reform Party members to suggest their analysis is accurate. The problem may be confusion with the terms executive and management. In the context of part III of the estimates the term executive is a classification term referring to a specific occupational group. The term management is used to refer to an activity, a function or planning element which is used for the purposes of resource planning.

More specifically, reference was made to figure 6 on page 2–43 of the part III for Treasury Board where there is mention of 85 FTEs, full–time equivalents. These FTEs are made up of 19 for the president's office, 16 for the secretary's office, 5 for the office of the chief informatics officer, 22 for the planning and communications directorate, 10 for legal services support and 13 for a special reserve. This total only includes four positions that are executive or the equivalent. Therefore, it was erroneous on the part of the hon. member to draw the conclusion that the secretariat was increasing its executives.

[*Translation*]

There was no increase.

[*English*]

I want to finish off very quickly by saying there has been a decrease over four years of about 30 per cent. We expect this decrease will continue.

Surely the hon. member knows that nobody gets paid $350,000 a year.

LABOUR

Mr. Dale Johnston (Wetaskiwin, Ref.): Madam Speaker, on March 3 I asked a question of the Minister of Labour concerning what was then an impending strike at CP Rail. I asked what action the minister planned to take to ensure a continuation of negotiations, thereby avoiding a potentially bitter, long labour–management dispute.

In his response, the parliamentary secretary to the minister stated that his government would simply leave matters to the collective bargaining process. However, in the time that has passed since I first raised my question, strikes and lockouts have occurred throughout Canada escalating to the point yesterday of a complete withdrawal of services by the 3,200 member Brotherhood of Maintenance of Way Employees.

• (1900)

So far the work disruptions involve only the members of that union. However, the other key player, the 4,000 member Canadian Auto Workers union, is prepared to take strike action anytime after March 15, which of course is tomorrow.

The potential consequences of the ongoing labour dispute between the railways and the unions are enormous. To complicate the situation, 405 members of the International Longshoremen's and Warehousemen's Union in the British Columbia ports have walked off the job, paralysing the movement of goods in western Canada.

It is imperative the government take quick and decisive action to halt the further disruption of our transportation routes. The fragile Canadian economy simply cannot withstand a blow like this. The uninterrupted operation of our transportation system is an essential element of our economic recovery. No one can dispute that.

More important, when examining the economic implications of a strike, we have to consider the bottom line. Here nobody wins. Too many people are harmed by needless strikes and lockouts. It is simply reprehensible to expose Canadians to more of this kind of nonsense.

Negotiations between CP Rail and the two unions in question have been ongoing for some 15 months. It would appear that neither side is truly serious about arriving at a new contract. If the resolve were there, surely the differences would have been settled peacefully and promptly by now.

Simply suggesting that the two sides continue the collective bargaining process is unsatisfactory. In the meantime, while they continue talks for who knows how long, countless numbers of people will be hurt by a dispute for which they are not responsible.

For this reason, the federal government must now step into this dispute with back to work legislation. This legislation should include a 30–day cooling off period during which meaningful negotiations could take place.

As the work disruption drags on it appears obvious that the government is stalling for time while it drafts anti–scab legislation. A cop–out like that is unacceptable.

Canada's railways account for close to 40 per cent of all freight tonnage moved in the country. Whether they be shippers of newsprint, coal or potash, the auto industry or western grain farmers, importers, exporters and manufacturers they must be assured that they have a reliable method of getting their products to market. Otherwise those markets will dry up.

Foreign buyers need suppliers they can count on. If they cannot rely on the Canadian market they will simply go elsewhere.

Aside from the direct impact of rail stoppages there is immeasurable harm resulting from what is known as the domino effect. Industries which cannot obtain parts or ship their goods will have to shut down production and lay off employees. The longer the government allows this situation to go on, the more far reaching the impact will be on Canadians from coast to coast. This means less revenue for the cash starved federal treasury.

The Acting Speaker (Mrs. Maheu): I am sorry. Your time has expired.

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, I would like to thank the hon. member for raising a very important issue.

As the Minister of Labour reported to this House yesterday, CP Rail and three of its unions representing 2,900 workers reached a tentative settlement on March 12, 1995 with the assistance of the Federal Mediation and Conciliation Service. The agreements provide for wage increases, modified employment security and a variety of benefit improvements. The settlements are subject to ratification by the union memberships.

I understand that CP Rail is meeting with the BMWE today and I would encourage them to make every effort to settle their collective bargaining differences.

I am advised that the impact of the work stoppage at CP Rail has been limited and that the railway is continuing to operate its core lines.

Collective bargaining is continuing in a number of railway negotiations. The parties must be given every opportunity to settle their disputes in collective bargaining as provided for under the terms of the Canada Labour Code. However, the parties must accept their responsibility to resume bargaining and conclude an agreement not only in the interests of their members and shareholders but also for the Canadian public.

The railways and the unions have the necessary insight and experience to resolve the complex issues in dispute.

Any discussion of legislative intervention at this time would be premature. The federal mediation and conciliation service remains in contact with the parties, available to assist them in their negotiations.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted.

Accordingly, the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.05 p.m.)

HOUSE OF COMMONS

Wednesday, March 15, 1995

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

WORLD CONSUMER RIGHTS DAY

Mr. Dennis J. Mills (Broadview—Greenwood, Lib.): Mr. Speaker, today is World Consumer Rights Day as declared by Consumers International, formerly known as the International Organization of Consumer Unions. Throughout the world, consumers are marking this event by taking part in activities stressing their contribution to the marketplace in our society.

Consumers have a vital role to play in maintaining the wealth and competitiveness in this country. Indeed, over 60 per cent of Canada's GDP is attributed to consumer demand. Consumers' voices should be heard and their rights recognized.

Consumers International has a membership of 185 organizations from 80 nations whose fundamental concerns are to protect the rights of consumers and to promote social justice and fairness in the marketplace. The organization assists consumer groups in developing countries and initiates research action on issues such as pharmaceuticals, pesticides, tobacco and baby foods. It facilitates comparative testing of consumer goods and services—

* * *

[*Translation*]

MINING INDUSTRY

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, by failing to announce measures to stimulate the mining sector, the latest budget brought down by the Minister of Finance is helping to marginalize an industry that generates major spinoffs for a number of regions in Quebec and Canada, for instance in my own riding and in the ridings of many of my colleagues on both sides of the House.

Through its failure to act and its lack of commitment, the federal government is jeopardizing the operations of an industry that is already experiencing problems. In fact, the Mining Association of Canada refers to the budget measures as both harsh and ineffectual and as a threat to the future of the mining sector.

According to the Association des prospecteurs du Québec, Quebec's mining industry may well consider whether its particular sector would not be better served by a legislative framework under which only the Government of Quebec would have the power to intervene.

* * *

[*English*]

BIG ROCK BREWERIES

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, Albertans are demonstrating that they are willing to support the arts without massive federal assistance. Yesterday the Toronto based Council for Business and the Arts in Canada announced the winners of the 17th annual Business in the Arts awards. I am so pleased to announce that Big Rock Breweries from my riding of Calgary Southeast has received the award for community support.

The shrinking budgets in all areas of our economy demand we seek new, innovative and creative ways of accessing funds, including the cultural sector. Big Rock Breweries from Alberta is leading the way as a private sector supporter for the arts. Last year Big Rock provided over $100,000 to over 40 different arts groups. It views its cultural support as a wise business practice and not as a charitable donation.

Thanks to the support of Big Rock Breweries, groups like the Alberta Theatre Project and the Muttard Public Art Gallery are thriving. Albertans indeed are leading the way in private sector support for the cultural sector. I applaud Big Rock Breweries.

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JAMEL TWINS

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, I wish to extend my congratulations and appreciation to Mr. S.G.P. Jafry, a prominent member of the South Asian community, and to the Scarborough Muslim Association. Mr. Jafry was the fund raising co–ordinator respon-

sible for raising over $175,000 to offset the costs of surgery and care of the Jamel twins.

These 2-year old children arrived from Pakistan last November to have extremely delicate surgery. Since birth they had been joined at the head. On January 23, 1995 a 23-member team of surgeons at the Toronto Hospital for Sick Children performed over 15 hours of surgery.

There have been only 30 such operations performed worldwide and in 60 per cent of the operations only one of the children survives. Young Hira Jamel survived but her sister Nida did not. On behalf of the House, I wish to convey my condolences to the Jamel family. I am sure everyone is hoping for a full and complete recovery for young Hira Jamel.

* * *

[*Translation*]

FRANCOPHONES OUTSIDE QUEBEC

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, in a speech he made on June 3 at the annual meeting of the Association canadienne-française de l'Ontario, the leader of the Bloc Quebecois said, and I quote: "The agenda proposed by the Bloc Quebecois for today and for the future includes the active solidarity of your communities with francophones in Quebec, within the space we share".

This statement was noteworthy for its understanding and openness, unlike the statement made yesterday by the Bloc's official critic in response to the position taken by the Fédération des communautés francophones et acadienne du Canada. After accusing them of interfering, the Bloc member continued her attack with the following statement, and I quote: "Our message to francophones outside Quebec is clear: Mind your own business".

Once again, the Bloc Quebecois has shown it is determined to muzzle anyone who would challenge its separatist plans.

* * *

FRANCOPHONES OUTSIDE QUEBEC

Mr. Guy H. Arseneault (Restigouche—Chaleur, Lib.): Mr. Speaker, francophone and Acadian communities are unwavering in their belief in a united, progressive and dynamic Canada. I was very happy to hear that the Fédération des communautés francophones et acadienne du Canada had asked Quebecers to vote "no" in the referendum on separation.

The members of the Bloc Quebecois are definitely misleading francophone and Acadian communities when they tell them that an independent Quebec would help the francophone community in Canada to better grow and develop.

• (1405)

Furthermore the statement by the hon. member for Rimouski—Témiscouata suggesting that the federal government had bought the francophones and the Acadians is a further insult to our communities.

I would invite the hon. member to publicly apologize for her insensitive remarks to Acadians and all francophones outside Quebec. Canada's francophones and Acadians have every right to speak on the future of our country.

* * *

FRANCOPHONES OUTSIDE QUEBEC

Mr. Réginald Bélair (Cochrane—Superior, Lib.): Mr. Speaker, I was very pleased to hear that the Fédération des communautés francophones et acadienne du Canada unequivocally declared that it is in favour of Canadian federalism.

The FCFA is the second organization of its kind to state that it supports the "no" side. Last February, the Société des Acadiennes et Acadiens du Nouveau-Brunswick publicly announced its position, and also begged Quebecers to vote no. These two organizations also believe in a dynamic and progressive Canada which is proud to promote both official languages. This outlook on Canada promotes the growth of the francophone culture as a whole.

The fact that francophone establishments and organizations exist across Canada, be they educational, cultural or financial, proves that the French fact in Quebec and in all of the provinces has persevered and is alive.

The federal government has supported the development and growth of the French language and culture in Canada at all times, not just during the referendum debate. It would be a hard blow to the francophone community elsewhere in Canada if Quebec were to leave the Canadian federation.

Therefore, I hope the referendum will be held as soon as possible so that we can get on with solving the real problems.

* * *

IMMIGRATION

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, the repeated attacks on the Immigration and Refugee Board over the last several years have regularly made the headlines. Since the Liberal government took office, these criticisms have become increasingly vitriolic, but the government remains strangely unperturbed.

Again yesterday, two former IRB board members estimated that at least half of their former colleagues lacked the training and expertise necessary for the performance of their duties.

They alleged, as have others before them, that patronage appointments are at the root of the board's problems.

It is urgent that the government get to the bottom of the matter and hold a public inquiry into the Board's operations. The longer this government fails to take action, the more lasting the damage to the board's credibility is likely to be.

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[*English*]

GUN CONTROL

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, Mr. Gerry Parsons, a resident of Air Ronge, Saskatchewan, has courageously given his permission for me to use his letter. He writes:

> I appreciate your stand on gun control. I approve of reasonable methods of fighting crime and of taking guns from criminals. I will, I suppose, become a criminal when I refuse to register my hunting guns. Actually, I will probably never use my guns again; I am 75 years old and have a lung disorder which prevents me from doing very much of anything. I have never been charged with anything in my 75 years, it's too bad I have to start now. Thanks for your efforts. It's too bad the justice minister is not as honest as yourself.

Does the justice minister really—

The Speaker: Colleagues, even though we are quoting other people in this House sometimes terms which could not be attributed to ourselves, that is to say, questioning the honesty of another member, should not be imposed because someone else said them. I would ask the hon. member to delete any reflection on the honesty of any member of this House and to please finish his statement.

Mr. Breitkreuz (Yorkton—Melville): Mr. Speaker, I withdraw that final sentence.

Does the justice minister really think Mr. Parsons is a criminal? Does he think because a 75–year old man is going to knowingly fail to register his hunting rifles that he should go to jail for up to 10 years? Is the Liberal government going to build more jails to house the thousands of responsible firearms owners like Mr. Parsons? Or is it going to continue to let the real criminals out on the street to make room for those who fail to register their firearms?

* * *

• (1410)

[*Translation*]

FRANCOPHONES OUTSIDE QUEBEC

Mr. Eugène Bellemare (Carleton—Gloucester, Lib.): Mr. Speaker, the hon. member for Rimouski—Témiscouata, a great champion of francophone rights when it suits her, tap–danced on the backs of francophones outside Quebec yesterday.

She accused the Fédération des communautés francophones et acadienne of interfering with Quebec's affairs by encouraging Quebecers to vote "no" in the upcoming referendum.

Casting doubt on the FCFA's honesty, the hon. member asked if receiving federal subsidies did not help the federation take a federalist stance.

If francophones outside Quebec have survived for centuries, taking their place at every level and in every sphere of activity in Canada, and if there is such a thing as cultural duality in Canada today, it is no thanks to egocentric separatists.

* * *

FRANCOPHONES OUTSIDE QUEBEC

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, I object to the remarks made by Bloc Quebecois members to the effect that for francophones outside Quebec to oppose Quebec's separation constitutes interference. Such remarks clearly show the Bloc's policy of discouraging debate and silencing any opposition to separation. But the Bloc is ignoring an inescapable fact: you cannot silence a majority.

Francophones from across Canada—Quebecers, Acadians, Franco–Saskatchewanians and Franco–Ontarians—have always actively promoted and preserved their language and culture on this continent where we form a very small minority.

Our efforts have paid off and will continue to pay off because federalism and our political system are responsive and encourage the development of francophone communities. A majority of French Canadians recognize the Canadian federal system as a flexible system that promotes our development.

At the opening of this Parliament, the Bloc Quebecois said it was going to—

The Speaker: I am sorry to have to interrupt the hon. member. I will now recognize the hon. member for Ottawa–Vanier.

* * *

FRANCOPHONES OUTSIDE QUEBEC

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, in recent months, francophone communities in Acadia and Ontario have welcomed the leader of the Bloc Quebecois, who is eager to spread his party's message and establish lasting links with these communities.

I was there when the Association canadienne–française de l'Ontario received Mr. Bouchard with decorum and civility at its annual meeting last year in Toronto.

Yesterday, the federation of francophone and Acadian communities of Canada said that Canadian federalism was the most

favourable framework for the development of Quebec society and of francophone and Acadian communities.

Instead of admitting that this statement is based on convictions as strong as hers, the hon. member for Rimouski—Témiscouata responded by telling them to mind their own business.

Francophone communities intend to pursue the dialogue initiated by the Bloc Quebecois and, since the future of this country concerns us all, we will mind our own business.

* * *

LA POCATIÈRE EXPERIMENTAL FARM

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, the sheep industry in Canada and Quebec was stunned to find out in the last budget about the closure of the experimental farm in La Pocatière, which was established in 1910. Against all expectations, the federal government is slowing down the growth of this booming sector.

These cuts are totally inconsistent with the red book commitments on research and development and defeat the efforts made by research establishments in the last few years.

The federal government must review its R&D financing policy and end blind cuts which unfairly penalize growing agricultural sectors.

We hope that common sense will prevail and that the Minister of Agriculture will reconsider his decision as soon as possible, as requested by the committee for the survival of the experimental farm in La Pocatière.

* * *

[*English*]

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, yesterday the justice minister participated in a closed door meeting organized by the Liberal member for Dauphin—Swan River. This meeting was declared a farce by Mike Dudar, a resident, who had to demand a seat in a meeting that allowed only 60 people inside while hundreds of citizens along with the media were locked out.

Why is the justice minister refusing to address the very concerns his gun control legislation has created? Why was the media locked out of the meeting in Dauphin, Manitoba last night? Why is the minister unwilling to explain his gun control legislation to the very people it will have the greatest negative impact upon?

This is not the first time the minister has avoided an open public meeting with the people of Canada. He repeated the same practice while in Calgary last January. The minister's actions last night were an insult to the people of Dauphin—Swan River and an insult to all concerned Canadians.

• (1415)

The minister has a duty to stand before all Canadians and defend his draconian gun legislation and demonstrate—

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[*Translation*]

LINGUISTIC DUALITY

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, as the member representing the federal riding of St. Boniface, as a French-speaking resident of a province and a region outside Quebec, and as a Canadian of French-speaking origin born in St. Boniface, Manitoba, I am pleased that the Fédération des communautés francophones et acadienne du Canada gave its unequivocal support to Canadian federalism.

The federation, like myself, believes in a dynamic and progressive Canada which is proud to promote its linguistic duality and whose government actively supports the French fact throughout the country. We hope that the referendum will be held as soon as possible, so that all of us, including Quebecers of course, can concentrate our energy on building our country, Canada.

ORAL QUESTION PERIOD

[*Translation*]

FISHERIES

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, Canada has just proceeded to release the Spanish trawler *Estai*, after its owners agreed to post a bond of $500,000. As you know, the European Union had made the release of the trawler a condition for resuming negotiations with Canada.

Could the Minister of Fisheries and Oceans indicate whether in exchange for the release of the Spanish trawler, European trawlers agreed to a 60-day moratorium on fishing for turbot, as requested by Canada?

[*English*]

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

I want to report to him that this morning the master, or the owner, of the *Estai* posted bond in the order of $500,000 against his vessel. This is in addition to the $8,000 bail posted against the captain of the vessel a day or two before.

This is in keeping with the procedures of the Canadian judicial system, procedures that have been followed in similar circumstances with other vessels of similar size, shape and value.

We are very pleased to see that a bond has been posted. As a result the vessel and crew are free to leave at any time.

In addition to the bond being posted, some 130 tonnes of product have been removed from the vessel and is being held by the crown as evidence. It will be held in a storage facility and will be disposed of by the court at the end of the judicial proceedings.

There has been no negotiation, nor should there be in terms of the judicial proceedings themselves. I know the hon. Leader of the Opposition would agree with this. The proceedings have been conducted as they ought to be by the court in the normal manner.

Now that both a bond has been posted and there is no fishing on the nose and tail of the Grand Banks, this may well be an opportunity for talks. The Minister of Foreign Affairs and the Prime Minister have given instructions to a negotiating team in Brussels. We shall see.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I would ask the minister whether in connection with the release of the trawler *Estai*, Canada tried to obtain, or possibly obtained, guarantees from the European Union or Spain that their trawlers will not fish for turbot throughout the forthcoming negotiations with Canada?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, this is a good question. Canada has made it clear since the beginning of this difficulty between Canada and the EU that we will not negotiate while fish are being caught.

I was pleased to note yesterday we had four or five days in a row of no fishing on the nose and tail of the Grand Banks. For a few hours last night one vessel did cross over into the area of the nose but I can report that this morning it had pulled back again.

For the moment, as we speak here in this Chamber, there are no vessels on the nose and tail. Bond has been posted on this particular fishing vessel. It will sail out of harbour. I should point out it will sail out without a net, without the ability to fish. The net was cut.

• (1420)

I can also report, and I know the Leader of the Opposition will be happy to hear this, that Canadian technology in global positioning systems—I am advertising now to the planet—were successful in allowing us to find and to retrieve today the net from the *Estai*.

The net that has been retrieved bears manufacturer markings identical to that on part of the equipment still left on the *Estai*. The fish that were pulled out of the water—we videotaped this—were still kicking. They were alive. This is the net recently cut. The net had a 115 millimetre mesh, which is smaller than the 130 millimetre required by NAFO. In addition, the net in question had an 80 millimetre liner in the net.

Some hon. members: Shame, shame.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I do not know whether formal negotiations are now taking place between Canadian diplomats and their European counterparts, but I hope so. However, I would like to ask the minister whether Canada has initiated certain discussions so that formal negotiations can begin as soon as possible between its representatives and those representing Spain and the European Union?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I am pleased to inform the House that the team headed by the Canadian Deputy Minister of Foreign Affairs is now in Brussels to start negotiations with representatives of the European Union. We are ready and willing, and we want to settle this in a diplomatic way.

There are two things we want to accomplish. First, ensure that the conservation measures we support will be respected, and we therefore hope to reach an agreement with our friends in the European Union on setting up an effective mechanism for surveillance and monitoring. I also want to take this opportunity to say that in a spirit of co–operation, we are prepared to review with European Union representatives the quota share we obtained as a result of the last negotiations.

* * *

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, my question is for the Solicitor General. In a report made public yesterday, the inspector general of the Canadian Security Intelligence Service, better known as CSIS, notes serious irregularities in the use of informants on university campuses and in political parties during elections.

How does the Solicitor General explain his statements that CSIS did not spy on or infiltrate political parties, when the inspector general of CSIS criticizes his failure to issue any sort of guideline on dealing with these political party informants during electoral campaigns?

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the report is for a period of more than two years before this government took office. Since that time work has been

ongoing to deal with the problems and concerns raised in it. This is something to which we are paying close attention.

[*Translation*]

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, there is no need to go back two years. In December, Michel Robert, the chair of the CSIS review committee, stated that Canadian political parties had not been investigated, and, a month later, the CSIS review committee was forced to contradict him, saying that there had in fact been a file entitled "Preston Manning" on the Reform Party.

I would therefore ask the Solicitor General how he can play down the scope of the report by the inspector general of CSIS, which concludes that there is no justification for the use of informants on university campuses and during electoral campaigns.

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, it is my understanding that the overall conclusion of the inspector general at that time, some two years ago, was that the use of informants by CSIS was professional, of an appropriate professional level.

As I have said, work is ongoing to deal with the concerns raised by the inspector general at that time.

Finally, I remind my hon. friend that he has once again stated something that is not correct. The file referred to by the acting chair of the security intelligence review committee was not about an investigation of a political party but rather about the possibility that a foreign government had made contributions in a way that was not appropriate.

• (1425)

Therefore, I hope my hon. friend, if he raises the subject again, will describe the matter correctly. It is about time he did so.

* * *

NATIONAL DEFENCE

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, over a month ago the Minister of National Defence claimed to have been ill–informed by the military chain of command specifically concerning information regarding the airborne videos.

Has the minister satisfied himself that these concerns with information from the chain of command have been addressed? What specifically has he done about them?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, there was a particular incident to which the hon. member refers and that concerns the misinformation in a report on the videos. That matter was dealt with by the chief of defence staff who relieved a general officer of his post as a result of not providing both the CDS and myself with the details.

I have full confidence in the chief of defence staff and the military command who work pretty hard at their jobs, as I have confidence in all of the men and women who serve Canada proudly in the armed forces.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, we have obtained a leaked report written by Brigadier–General Jeffries and submitted to land force command headquarters.

According to General Jeffries, the troops believe that, quote: "Political agendas and careerism have replaced leadership in the defence hierarchy and, furthermore, that the loyalty and focus of senior military leaders is directed upwards and not down". This is a very serious evaluation of the state of affairs.

Is the Minister of National Defence aware of this report? How does he plan to deal with the leadership crisis in his department?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I am not privy to all communications that are made between the chain of command throughout the country.

If the hon. member has such a document that he describes, I will certainly raise the matter with the chief of defence staff to see if the concerns allegedly addressed by Brigadier–General Jeffries have been brought to his attention. Then we will decide how to proceed from that point forward.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, this is not the first time that an internal report has pointed out leadership problems in the Canadian military. To date, however, the Minister of National Defence has promised only cosmetic changes and has put off major decisions with the promise of future inquiries.

Is the minister prepared to address these failings in the leadership and elsewhere in the military or do we have to wait for more videos?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I have just made the statement that the government and I have full confidence in the chief of defence staff and all those in command of the Canadian Armed Forces.

With respect to the renewal of any organization, there are changes made every year. I announced a couple of weeks ago we would be streamlining the general officer ranks by about 25 per cent. Some new people have been brought into key positions at

national defence headquarters. I believe this will allay any concerns the hon. member has that we at national defence headquarters do not have dynamic, vibrant leadership.

* * *

[*Translation*]

BURUNDI

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, my question is for the Minister of Foreign Affairs.

The situation is very tense in Burundi since the murder, in October 1993, of the first democratically elected president of that republic. In recent months, some 50,000 people have died in the conflict between the two main ethnic groups, and there is every indication that another crisis is looming. The recent assassination of the minister of energy and mines has exacerbated the situation and there is a great deal of insecurity in the country.

Can the minister tell us about the current situation in Burundi and the means being considered by the UN and Canada to prevent a crisis?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, unfortunately, the concerns expressed by the hon. member are well founded. It is sad that the ethnic conflicts which occurred in Rwanda and ended in terrible bloodbaths could now surface in a neighbouring country and trigger a similar tragedy.

• (1430)

This is why Canada has repeatedly asked the United Nations, and also the Organization of African Unity, to immediately get involved and try to find a solution to this increasingly menacing situation.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, yesterday, in committee, the minister informed us of the representations he made, among others, to the UN secretary, for sending additional troops to Rwanda in order to restore a balance in the region. As you know, the Security Council rejected Canada's request.

My question to the minister is: Will he pledge to again ask the UN Security Council to quickly organize the multinational forces required to prevent a conflict?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, the answer is yes. In the event that the United Nations are not in a position to intervene, we also contacted the Organization of African Unity to see if a regional approach might be more appropriate. A number of countries concerned by the situation in Rwanda and in Burundi could intervene, with the support of the UN, but they would do so on a regional basis, rather than in the context of a global operation under the UN.

[*English*]

CANADIAN ARMED FORCES

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, I would have thought that with the contents of the report being so serious the minister might have had them before now.

Further to my colleague's questions regarding leadership, General Jeffries' report says the troops believe: "Senior leaders are seen to be unwilling or unable to speak to soldiers' needs on their soldiers' behalf. For example, the airborne trial by headlines left personnel feeling disillusioned and abandoned".

Has the minister yet realized how serious the leadership problem in his department is? If so, can he give the House some specifics as to how he intends to deal with it?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we have to realize the armed forces has been under considerable pressure for the last few years since the events in Somalia became public. This has posed a great problem and a strain.

The armed forces has enjoyed an enviable reputation for many years. The work discharged by the armed forces is exemplary. The Canadian Armed Forces is universally respected.

This week we are preparing to send the first of about a 470 contingent to Haiti. These people are outstanding. They are well led. That does not mean to say that from time to time problems will crop up. Where specific examples of management or leadership are brought to the attention of the government, they are dealt with.

With respect to the issue of Somalia, the whole chain of command and how the troops were deployed to Somalia will be the subject of an inquiry.

For the Reform Party to make blanket accusations about the morale of the troops and about the high leadership of the armed forces is not borne out by the facts. There was considerable disappointment regarding airborne matters and may have been reflected in the alleged report.

The Speaker: I would ask members once again to keep questions and answers short.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, it is not the Reform Party that is accusing the minister of leadership problems.

The report also says: "Soldiers perceive their interests and welfare are being sacrificed so that senior leaders can be successful in delivering the same bang for much less buck. Unpalatable though it may be, we will have to cut our suit to fit the available cloth if we are to avoid a hollow army and burnt out soldiers".

Considering the contents of this report, is the minister prepared to institute an immediate inquiry to determine the cause and extent of the problem and propose remedial action to avoid a burnt out army?

• (1435)

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I find it odd that the hon. member wishes me to institute an inquiry based on one memo.

The hon. member was a member of the joint committee of the House and Senate that looked into all aspects and operations of the Canadian Armed Forces. He signed a report concluding that the leadership of the armed forces was top flight.

Now he comes forward based on the contents of one memo, perhaps generated by the very emotional situation of the closing of the Canadian airborne, and wishes to reverse the assessment to which he subscribed less than three months ago. That is not logical.

* * *

[*Translation*]

IRVING WHALE

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, my question is for the Minister of the Environment. In December 1993, officials of the Department of the Environment gave their minister an internal document which seriously called into question the conclusions and quality of the study on which she based her decision to refloat the *Irving Whale*.

Was the Minister of the Environment aware of that document and will she tell us why she picked the most risky and controversial solution, which was to raise the *Irving Whale*, despite her officials' advice?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the only one who thinks this is a controversial issue is the company that did not land the contract. What is truly unfortunate for the hon. member opposite is that people called her leader regarding this issue when he was environment minister, and he held public hearings into the matter in Halifax, Dartmouth and on Prince Edward Island, yet took no action.

As soon as we came to office, we acted and we hope to raise the *Irving Whale* this summer at the very latest.

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, I am speaking to the Minister of the Environment who, at present, is the only one responsible for the Department of the Environment, and who is the one who must make the right decisions.

Some hon. members: Hear, hear.

Mrs. Guay: How can the minister explain her steadfast refusal to have an electronic inspection of the barge's hull done before raising it, which the experts say is the very minimum which must be done to prevent a major ecological catastrophe from occurring if the *Irving Whale* were to break up during the operation?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, if the hon. member had read the documents I provided, all of the material in the public domain, including the 1990 report asking the former minister to take action, she would know that we did have an electronic inspection done last June.

[*English*]

What I find incredibly obscure about the logic of the hon. member is that a few months ago she stood in the House and said we should not wait until next spring. We have to lift the *Irving Whale* this year. Now that we are moving ahead and have gone to tender, she completely reverses the position she took only a few months ago.

I took a position, unlike her leader. I am going to raise the *Irving Whale* and finally we will get rid of the ticking time bomb that has been there for 25 years.

* * *

LABOUR

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, I have been informed the government has finally agreed to Reform's demands for back to work legislation in the current west coast labour dispute.

This addresses the immediate problem for Canadian shipping. What is the Minister of Labour prepared to do to prevent further disruptions?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, in fact the situation has worsened in British Columbia ports. As of midnight last night, there was a complete work stoppage, as hon. members are aware. Yes, since midnight yesterday, the transportation of grain and perishable goods has been halted. In the face of the enormous economic consequences of this problem, the government has decided to act and implement back to work legislation.

We are currently negotiating with the various parties to ensure this legislation is adopted as quickly as possible. I hope that we will obtain everyone's agreement.

• (1440)

[*English*]

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, I congratulate the minister on her move.

What is needed now is final offer binding arbitration, as put forward in our private member's Bill C–262. Will the minister make a commitment today to support Bill C–262? If not, will she present similar legislation of her own?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, I can understand my hon. colleague's concerns about strikes in British Columbia ports. Today, however, we have a major crisis with grave economic consequences. The government will act as soon as it has the co–operation of the various parties in this House.

* * *

IMMIGRATION

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

Yesterday, the UN Committee Against Torture ruled that Canada's treatment of Mr. Khan, a refugee claimant from Pakistan, violated the international convention against torture, to which Canada itself is a signatory.

Since the decision concludes that this individual would be in danger of being subjected to torture if Canada sent him back to his native country, does the Canadian government undertake not to deport Mr. Khan?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I wish to thank the hon. member for the question. I am aware of the UN committee's decision.

We have asked the UN committee to reconsider its position on the basis that this individual also had a criminal conviction in Canada in 1993. No longer is this simply a case of protection for an individual. There is also the claim that Canada has every right to uphold the protection of the community and society.

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, how does the minister explain the fact that the Immigration and Refugee Board apparently did not look into the grounds for Mr. Khan's request, as the UN committee's ruling indicates?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the UN said Canada's system and how it deals with and treats refugee claimants is among the best in the world. With all due respect to the UN, Canada's house is quite clean and quite orderly.

However, it is our right as a country that this decision be not binding on Canada. We have every right to uphold our laws and the protection of our citizens. That is exactly the point we are making to this committee in asking it, even though its decision is not binding, to reconsider the sovereign right of a country to protect its borders and citizens.

LABOUR

Mr. David Iftody (Provencher, Lib.): Mr. Speaker, my question is for the Minister of Labour. I appreciated her response on the grain transportation problem.

I stood in the House on February 7 last year with regard to a similar problem. The government passed legislation to put the workers back to work. Now we are dealing with a similar problem again.

What long term measures is the minister willing to employ to ensure that year after year western Canadian grain farmers do not have to go through similar problems?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, I can understand the concerns of the hon. member for Provencher because work stoppages are indeed, might I say, excessively frequent in British Columbia's harbours. I intend to have an industrial inquiry commission look into the various existing collective bargaining procedures with a view to making a very specific recommendation so that we can have—

[*English*]

Mr. Thompson: A review! Oh no, not again!

[*Translation*]

Mrs. Robillard: I am sorry, Mr. Speaker, but I am unable to respond, with all the racket the hon. members opposite are making.

[*English*]

The Speaker: Once again I appeal to members to listen to the questions and answers. It is a matter of common courtesy.

* * *

• (1445)

TAXATION

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, there is confusion surrounding the Liberal position on the electronic transfer tax, otherwise known as the Tobin tax, which seeks to impede the flow of capital around the world.

Last week in Copenhagen the human resources minister said that it was a good idea. He repeated it again in the House on Monday. The finance minister denounced it and now it has been undenounced—

Mr. Young: Undenounced?

Mr. Abbott: Yes, undenounced by the foreign affairs minister.

What is the position? Does the government support the Tobin tax? Yes or no.

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, it is important for the hon. member to remember

that we are making a major breakthrough by bringing to the agenda of the G–7 meeting the question of the revision of the international financial institutions.

During the course of discussions a number of alternatives will be discussed. The Tobin tax, which seems to be very interesting to the hon. member, is one of many subjects that will certainly be looked at and discussed at that meeting.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, in the world today international money traders are looking at Canada. They want some kind of feeling of security on where the government is going.

Why do 1970 ideas keep bubbling to the top whenever the Liberals get into their think mode? Do they support the Tobin tax? Yes or no.

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, we are supporting a revision and an improvement of international financial institutions. We will be presenting recommendations in this regard at the time of the Halifax summit.

We have asked a parliamentary committee to look at it. I remind the hon. member that his party is represented on the committee. We hope the representatives of the Reform Party on the committee will make valuable recommendations.

* * *

[*Translation*]

GOVERNMENT EXPENDITURES

Mr. René Laurin (Joliette, BQ): Mr. Speaker, my question is for the Minister responsible for Public Service Renewal. At a press conference in Quebec City yesterday, the vice–president of the Public Service Alliance of Canada revealed actual instances of public funds being squandered. Apparently, the federal government offered courses on stress management through humour, and defensive driving courses to civil servants who do not need to drive as part of their jobs. Talk about defensive!

Will the Minister of Intergovernmental Affairs admit that these glaring examples of squandering show that the government is unable to end the cycle of waste in the federal administration?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, we do not subscribe to government waste. In terms of program review we have gone through in great detail all the programs and services provided by the government.

In order to get our deficit down, in order to get our fiscal house in order, we have made the most major cuts that have been made in government expenditures since the end of the second world war. That will help to bring about a discipline and ensure more than ever before that we have the greatest efficiency and effectiveness in terms of the spending of public taxpayers dollars.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, in light of the minister's answer, I believe he should have his eyes examined.

• (1450)

Why does the Minister of Intergovernmental Affairs turn a blind eye to the many instances of squandering brought to his attention by civil servants? Why does he not recognize that he should clean up his own backyard before hitting civil servants with massive layoffs?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, we do not close an eye to any matter brought to our attention whereby we can improve the efficiency and effectiveness of government programs and services. Any that have been brought to my attention have been or are being examined very carefully.

We do not take lightly the fact that part of our expenditure reduction program involves 45,000 people having to be removed from their positions in the public service. We intend to treat people fairly and equitably in carrying this out and ensuring that we get the fiscal house of the government in order.

* * *

IMMIGRATION AND REFUGEE BOARD

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, yesterday Mr. Bill Bauer and Mr. Gary Carson, both former members of the Immigration and Refugee Board, confirmed that half the IRB members may not be competent to hear refugee claims, that some cannot function adequately in either of Canada's official languages, and that members are being pressured to make positive decisions.

Will the minister listen this time, dismantle the IRB and start over, or will he ignore Bauer like he ignored us and other Canadians and even his own employees?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the matter should be put in its proper context.

The government has not accepted the status quo with respect to the Immigration and Refugee Board. We have moved serious reforms both legislatively as well as administratively. Last week the chairman of the IRB responded very comprehensively and very effectively to the Hathaway report.

No one is saying that institution or any institution of government is perfect. Equally so, we should not jump to the opposite extreme and say that everything the IRB does is wrong and every

member of the IRB is incompetent, because that is simply not the case.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, Mr. Bauer made it clear yesterday that the minister's single member panels are a step backward and will worsen the current mess.

Two former IRB members concluded that Canada accepts terrorists as refugees, that some lawyers are scripting refugee claims, and that in Bauer's opinion up to two–thirds of claimants are accepted under false pretences.

Why does the minister continue to put the interests of bogus claimants, refugee lawyers and advocates ahead of the interests of Canadians who pay $1 billion a year for this disgrace?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the member does not know what he is talking about. If competence for membership in the Chamber was any guideline he would not be here.

Now he is talking about a $1 billion budget for the IRB. I ask the member to have the decency to put forward the facts, to put forward things that we can do better, things that we can do to build the institution, rather than reduce everything to rubble.

* * *

FISHERIES

Mr. Derek Wells (South Shore, Lib.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

The minister just revealed that DFO was successful in retrieving the net of the Spanish trawler, the *Estai*. Congratulations to the minister and his department are in order.

Some hon. members: Hear, hear.

Mr. Wells: Would the minister inform the House of the significance of the net's mesh size and the accompanying liner in the matter at hand?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I thank the member for his question. The matter is important to Atlantic Canadians and obviously important to people right across the country, given the support the Reform Party has given to the government in pursuit of the conservation of the fishery.

• (1455)

It is extraordinary to see the Reform Party, the New Democratic Party—and I should acknowledge the Conservative Party—and the Leader of the Official Opposition endorse unanimously the conservation measure in the House on behalf of Canadians everywhere. It is a great moment for Canada. I acknowledge the support of the parties opposite.

However, let me in answering the question acknowledge the tremendous leadership of the greatest Prime Minister the country has ever had in standing up for the country.

Some hon. members: Hear, hear.

Mr. Tobin: Mr. Speaker, you want me to come right to the point and I shall.

The Speaker: Yes, I would like the minister to come precisely to the point.

Mr. Tobin: The significance of the 80–millimetre mesh is that it is some 15 millimetres smaller than the official NAFO approved mesh size for this species. Therefore the animals being caught in the mesh are far smaller. They are juveniles. They are immature. They are far smaller than what should be caught if we are to have a sustainable fishery.

* * *

[*Translation*]

CANADA LABOUR CODE

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, my question is directed to the Minister of Labour. After waiting for several months, the federal government has started distributing a working paper on future anti–scab legislation. The proposals in the working paper are unacceptable to workers, in several respects.

Will the minister agree not to interfere in union matters by requiring, for instance, that 60 per cent of union members must be in favour for anti–scab provisions to apply during a labour dispute?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, as you know, we are reviewing Part I of the Canada Labour Code, and the issue of replacement workers is on the table. We are now engaged in consultations with the various parties, both management and labour. I am prepared to listen to what the various parties have to say. Still, I do hope the member for the Bloc Quebecois is not against this kind of legislation.

* * *

[*English*]

TRADE

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, tomorrow two of Canada's trade negotiators will be in Washington to discuss the recent restrictions placed on Canadian sugar exports. The government has taken the position that GATT takes precedence over NAFTA. That is because we have imposed new tariffs as high as 350 per cent on butter and other supply managed products.

Does this not put us in a very difficult position when arguing against new U.S. tariffs on sugar?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, on behalf of the Minister for International Trade let me

say that we are conducting these discussions with a very high regard for Canadian interests which will be defended in all aspects of the continuing discussions.

* * *

HEALTH

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, my question is for the Minister of Health. It concerns the budgetary betrayal of federal funding promises to B.C. and other provinces with a community action program for children or CAPC, a program for vulnerable and at risk children.

In view of the profound concerns of the B.C. Coalition for Children and the B.C. government arising from drastic cuts in funding for 1996 and beyond, how can the minister justify the decision to cut the deficit on the backs of poor and vulnerable children?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we are very concerned that children be treated equally and fairly.

The budget did not dramatically cut CAPC. It reduced the actual growth of the program. That program will be distributed equally across the country.

• (1500)

We also have other programs aimed at helping poor children in this country. One of them is the aboriginal head start program. We have the prenatal nutrition program and the brighter futures program. All of these programs come into play as well.

* * *

[*Translation*]

MULTIPLE SCLEROSIS

Mr. Dan McTeague (Ontario, Lib.): Mr. Speaker, my question is directed to the Minister of Health.

[*English*]

Fifteen thousand Canadians suffer from multiple sclerosis. In the U.S., the drug Betaseron has been used to treat MS for over a year. Betaseron is currently being reviewed by the health protection branch and can only be obtained under the emergency drug release program at a cost of over $17,000.

Can the minister provide information on when Betaseron will be made available to Canadian MS victims at a price they can afford?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I am well aware of the needs of victims of multiple sclerosis.

Unfortunately, the manufacturers of Betaseron chose not to apply to have the drug approved here in Canada at the same time as they did in the U.S. When they did apply we fast tracked the approval of this drug. The price of this drug is quite high. It is under review at this time by the Patented Medicine Prices Review Board.

The Speaker: My colleagues, this brings to a conclusion our question period. I have a question of privilege from the hon. Leader of the Opposition.

* * *

[*Translation*]

PRIVILEGE

DEPUTY PRIME MINISTER AND MINISTER OF THE ENVIRONMENT—SALVAGING OF THE *IRVING WHALE*

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, yesterday, the Minister of the Environment stated in this House, when she answered a question on the refloating of the *Irving Whale*, and I quote: "I just wanted to remind the hon. members that the first report proposing salvage measures was tabled in 1989 and rejected by the then Minister of the Environment".

Later on, she also said about the *Irving Whale*: "six years after the first report was presented to the former environment minister—the hon. member for Lac–Saint–Jean".

Mr. Speaker, the fact is that I resigned as environment minister in May 1990 and that the report mentioned by the minister was tabled in September 1990. Her statement is therefore totally false and inaccurate.

Mr. Young: But in any case, you did nothing.

Mr. Bouchard: I hear other ministers say that she was right to lie to the House.

Mr. Young: You did nothing when you were there.

The Speaker: My colleagues, I do not think I heard everything the hon. Leader of the Opposition said, but if the word "lie" was indeed used, I would urge the hon. Leader of the Opposition to reconsider the use of that word.

Mr. Bouchard: Mr. Speaker, I have reconsidered, and I gladly withdraw.

I would ask that, in that same spirit, the transport minister withdraw his remarks that the environment minister was right yesterday to twist the truth around.

Mr. Young: You did nothing.

Mr. Bouchard: It is not over yet.

Mr. Young: That is for sure.

The Speaker: Order. The hon. Leader of the Opposition has the floor.

Mr. Bouchard: Mr. Speaker, what happened yesterday is even more serious. It is so because I submit to the Chair that this inaccuracy was stated on purpose. The minister had the report in front of her at the time, and it indicates the date I just gave.

Moreover, the question was asked by one of her Liberal colleagues, the hon. member for Brome—Missisquoi, who, as a courteous man, certainly served notice of his question to the minister. She knew what to expect and she was able to prepare an answer.

• (1505)

A third point is even more serious than this. The minister altered the official report so that today, *Hansard* does not contain the words she used yesterday. According to Beauchesne, and more particularly citation 1117, no member is allowed to alter *Hansard* the way the minister did yesterday after the blues came out.

If you compare the blues and *Hansard*, you will notice that two substantive corrections were made, so that the words which were so injurious to me yesterday as a member of this House in front of the TV cameras and everybody, while the minister scored political points by heaping ridicule on me and making me look like an irresponsible minister, no longer appear in *Hansard* today. Therefore, those injurious remarks made publicly yesterday in this House, in front of the TV cameras, must be corrected today in a immediate public statement including apologies by the minister.

Some hon. members: Hear, hear.

[*English*]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, given the gravity of the accusations of the hon. member, I would have thought he would at least have had the courtesy of serving me notice. Had he served me notice, I would have advised him as I did yesterday, as I did several months ago when I actually gave a copy of that particular report to the House. Unfortunately, his caucus I suppose did not advise him of it.

In fact, the Brander–Smith report to which I referred yesterday in the House was initiated by the Right Hon. Brian Mulroney when the hon. Leader of the Opposition was Minister of the Environment. There were several public hearings held while he was Minister of the Environment, including a public hearing that was held in Halifax, another public hearing that was held in Saint John and another public hearing held in Prince Edward Island, which specifically called on the Minister of the Environment in 1989 to act.

In fact, the minister did not act. He did not act; his predecessors did not act; his successors did not act. We acted within 100 days of coming to government.

I would have thought that rather than dragging out the issue—

[*Translation*]

—rather that resorting to petty politics, the Bloc Quebecois would have done better to recognize the fact that we have made a decision, a decision that neither the former environment minister, his predecessor, nor his successor made.

I will repeat in French so that he understands clearly. When he was environment minister, in 1989, three public hearings were held at which the refloating of the *Irving Whale* was advocated, and he did not respond. That is what I said in the House yesterday.

[*English*]

I will put my word on the line against his word any time.

The Speaker: My colleagues, the Chair always takes very, very seriously any question of privilege which is raised by any and all hon. members in this House.

We have heard allegations on one side and a rebuttal on the other. We are getting into debate, perhaps on a question of the interpretation of facts. With your permission, seeing that this has taken place over two days, I wonder if you will give me the time to review the blues as to what was said.

• (1510)

I will come back to the House as soon as I can to give a decision as to whether indeed any hon. member's privileges have been breached in this case. With the time to think about it a bit, I will bring back a decision as soon as possible. For this question of privilege at least at this time, I would like to take the information I have and consider it for a while.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

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

* * *

[*English*]

IMMIGRATION ENFORCEMENT IMPROVEMENT ACT

Mr. Janko Perić (Cambridge, Lib.) moved for leave to introduce Bill C–316, an act to amend the Immigration Act and the Transfer of Offenders Act.

He said: Mr. Speaker, I am pleased to introduce my third private members' bill entitled the Immigration Enforcement Improvement Act.

My bill aims to improve the way in which the deportation of violent offenders is carried out. The proposed changes will enable a court in addition to any other sentence to order the

removal of a non–citizen convicted of a serious criminal offence.

The bill does not apply to anyone who arrived in Canada before reaching 16 years of age, as long as that individual has been free of criminal convictions for a period of five years. The bill also provides for the removal of foreign offenders to host countries willing to accept them by court order.

I am pleased to announce that my bill has received the endorsement of the Canadian Police Association, Victims of Violence and CAVEAT. I would encourage all members of this House to support this important public safety initiative.

(Motions deemed adopted, bill read the first time and printed.)

* * *

• (1515)

LABOUR

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I seek the unanimous consent of the House for the following motion.

I move:

That notwithstanding the usual practices and rules of the House, the government may immediately introduce and propose first reading of a bill entitled, "An act respecting the supervision of longshoring and related operations at west coast ports", and the said bill shall be disposed of as follows:

(1) Immediately after the completion of all items of business relating to ways and means this day, the House shall take up consideration of the second reading stage of the said bill.

(2) After being read a second time the bill shall be referred to a committee of the whole.

(3) Immediately after being reported from committee and concurred in at the report stage, the said bill shall be taken up at the third reading stage.

(4) The House shall not adjourn this day until the third reading stage of the said bill has been disposed of, but the House shall adjourn immediately after completing the third reading stage of the bill.

The Speaker: Does the hon. parliamentary secretary have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: Unanimous consent has not been granted.

PETITIONS

HUMAN RIGHTS

Mr. Brent St. Denis (Algoma, Lib.): Mr. Speaker, I have the pleasure to present petitions on behalf of constituents in the central Algoma area of my riding, from towns like Richards Landing, Bruce Mines, north of Sault Ste. Marie, Goulais River and Echo Bay. These constituents have expressed concerns about government plans to include sexual orientation in Canada's human rights legislation.

It is my pleasure to present these on their behalf.

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, it is my pleasure to present a petition from 190 of my constituents. Their concern is the addition of the phrase sexual orientation either in the Charter of Rights and Freedoms or the Canadian Human Rights Act.

RIGHTS OF GRANDPARENTS

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I would like to present two petitions from my constituents.

The first petition requests that Parliament amend the Divorce Act, including the provision similar to article 611 of the Quebec civil code, which states:

In no case may a father or mother, without serious cause, place obstacles between the child and grandparents. Failing agreement between the parties, the modalities of the relations are settled by the court.

Further, they request an amendment to the Divorce Act that would give a grandparent who is granted access to a child the right to make inquiries and to be given information as to the health, education and welfare of the child.

INCOME TAX

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, the other petition asks that Parliament reduce government spending instead of increasing taxes.

I support the petitioners.

[*Translation*]

VOICE MAIL

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, I am pleased to table petitions signed by senior citizens in my riding. Because these people are less experienced with new technology, they ask the government to abandon its plan to install voice mail.

[*English*]

JUSTICE

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, it is an honour to present the first of many petitions organized by Nick Carter and others with the JC–55 Super Country Radio station in Kamloops.

The petition is signed by 14,000 people living mainly in the central interior of British Columbia. It calls for immediate changes to our justice system, including changes to the parole system to ensure that dangerous criminals not be allowed to return to our communities prematurely.

The bottom line is that they are seeking safety and security on our streets and in our neighbourhoods.

HUMAN RIGHTS

Mr. David Iftody (Provencher, Lib.): Mr. Speaker, I have two petitions to present today on behalf of people from Ste. Anne, Steinbach, St. Jean Baptiste, Altona and Plum Coulee in my riding.

It states that whereas the majority of Canadians believe that the privileges which society accords to heterosexual couples should not be extended to same sex relationships, therefore, your petitioners pray and request that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships.

• (1520)

GUN CONTROL

Mr. David Iftody (Provencher, Lib.): Mr. Speaker, I have a second petition to present on behalf of other constituents in my riding.

It states that the concerned citizens of the province of Manitoba draw to the attention of the House that the proposed amendments to the firearms control legislation by the justice minister are unduly harsh and waste dwindling financial resources while attacking the rights of law-abiding citizens without affecting crime.

Therefore, the petitioners request that Parliament separate the provisions into two separate issues that Parliament may proceed to strengthen border controls and the criminal use of firearms, but not proceed with the proposed enhanced controls on legal ownership of firearms.

INCOME TAX

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I have four petitions to present today. The first is from constituents in the beautiful city of Hedley, British Columbia. They realize that Canadians are already overburdened with taxation due to high government spending.

Therefore, the petitioners pray and request that Parliament reduce the federal deficit by reducing government spending and refrain from any form of increased taxation.

ASSISTED SUICIDE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, in the second petition the petitioners pray for two things: first, that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously; and second, that Parliament make no changes in the law that would sanction or allow the aiding or abetting or suicide or euthanasia.

CRIMINAL CODE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the third petition concerns section 745 of the Criminal Code of Canada. Under this section the sentence of murderers convicted to life imprisonment without chance of parole for 25 years are able to apply for a review after 15 years.

The petitioners request that Parliament repeal section 745 of the Criminal Code of Canada.

GUN CONTROL

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, the fourth petition is regarding the current gun legislation before the House.

To date I have presented 3,010 signatures. These petitioners from Osoyoos, Oliver, Princeton and other areas in the Okanagan Valley oppose further legislation for firearms acquisition and possession and ask Parliament to provide strict guidelines and mandatory sentences for the use and possession of a firearm in the commission of a violent crime.

I concur with my petitioners.

ASSISTED SUICIDE

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I have the honour to present to the House a petition containing over 100 signatures mainly from the city of Quesnel in my constituency of Cariboo—Chilcotin.

These petitioners request that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

The petition is presented with my concurrence.

HUMAN RIGHTS

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I have one more petition. I would like to present a petition signed by 134 constituents, again from the city of Quesnel and other areas of British Columbia.

These petitioners request that Parliament not amend the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

This petition is also presented with my concurrence.

CHINESE HEAD TAX

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, I have the honour of presenting two petitions today. The first is signed by petitioners from my constituency of Burnaby—Kingsway as well as other communities in British Columbia.

It calls on Parliament to support an all-party parliamentary resolution to acknowledge the injustice and racial discrimination inherent in the Chinese head tax—it was imposed from 1885 to 1923—and also in the Chinese immigration exclusion act which prohibited Chinese immigration from 1923 to 1947.

It calls on Parliament to recognize and compensate for the suffering of individual Chinese Canadians and the entire Chinese Canadian community that resulted from this legislated discrimination.

ASSISTED SUICIDE

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, the second petition is signed by hundreds of residents of Kamloops, the Fraser Valley, Burnaby—Kingsway, other communities throughout British Columbia and beyond.

It calls on Parliament to amend the Criminal Code to ensure the right of all Canadians to die with dignity, by allowing people with terminal or irreversible and debilitating illness the right to the assistance of a physician in ending their lives at a time of their choice, subject to strict safeguards to prevent abuse and to ensure the decision is free, informed, competent and voluntary.

• (1525)

HUMAN RIGHTS

Mr. Tony Ianno (Trinity—Spadina, Lib.): Mr. Speaker, I rise today to present a petition on behalf of some of my constituents of Trinity—Spadina.

The petitioners call on the Government of Canada to amend the Canadian Human Rights Act so as to protect individuals from discrimination on the basis of sexual orientation.

On behalf of my constituents, I humbly submit these petitions.

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, I have four petitions today from constituents in my riding of Bruce—Grey.

Two of the petitions request that Parliament not amend the human rights code and the Canadian Human Rights Act or Charter of Rights and Freedoms in any way that would indicate societal approval for same sex relationships or homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the defined phrase sexual orientation.

ASSISTED SUICIDE

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, the next petition requests that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no change in the law which would sanction or allow the aiding or abetting of suicide, or active or passive euthanasia.

RIGHTS OF THE UNBORN

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Mr. Speaker, the fourth petition asks Parliament to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

INCOME TAX

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, just before the budget was brought down I presented petitions against tax increases from all over Canada signed by 20,431 people. Ever since the budget came down, more of these petitions have been pouring in.

Today 16,967 more petitioners, for a grand total of 38,297 people from all over Canada, 11,711 of them from my own constituency, together pray—and unlike some prayers this prayer may be in vain—that Parliament reduce spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending as well.

I could not concur more strongly with all 39,000 petitioners.

The Speaker: I am told that eventually all prayers are answered.

JUSTICE

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I rise again to present another petition in this course of action undertaken by constituents who wish to halt the early release from prison of Robert Paul Thompson.

The petitioners I represent are concerned about making our streets safer for our citizens. They are opposed to the current practice of early release of violent offenders prior to serving the full extent of their sentences.

The petitioners pray that our streets will be made safer for law-abiding citizens and the families of the victims of convicted murderers.

SRI LANKA

Mr. John Nunziata (York South—Weston, Lib.): Mr. Speaker, I have been asked today to present two petitions to the House. The first petition is with regard to human rights violations in Sri Lanka.

The petitioners urge the Government of Canada to intervene immediately in the decade old national ethnic conflict in Sri Lanka with the view to: first, bring about an unconditional ceasefire, preferably verified by the United Nations; second, to bring the parties in the conflict to the negotiating table, preferably with United Nations mediation so that matters under dispute could be resolved satisfactorily and lasting peace achieved; and, third, to suspend forthwith all foreign aid and, if necessary, impose sanctions until cessation of hostilities and human rights violations.

YOUNG OFFENDERS ACT

Mr. John Nunziata (York South—Weston, Lib.): Mr. Speaker, the second petition is with regard to the Young Offenders Act.

It calls on Parliament to amend the act: first, to lower the age limits which define a young offender to include only those children between the ages of 10 and 15; second, to increase the maximum penalty for first and second degree murder from 5 to 10 years, which has already been done by the government; and, third, to allow the publication of a young offender's name after a second serious offence, and any other changes necessary to ensure that the public interest as well as the needs of Canadian youth are addressed in a fair and balanced fashion.

HUMAN RIGHTS ACT

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, it is my pleasure to present three petitions today.

The first group of petitioners request that the Government of Canada not amend the Canadian Human Rights Act to include the phrase sexual orientation. The petitioners are troubled about not defining the phrase sexual orientation. They have a legitimate concern that such a broad term could include all kinds of sexual behaviour.

• (1530)

GUN CONTROL

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the second petition deals with the subject of Bill C–68, gun control. The petitioners state that the target for all gun control laws in the Criminal Code of Canada must be the criminals who are a danger to the public safety and not law–abiding, responsible firearm owners.

GOVERNMENT SPENDING

Mr. Ed Harper (Simcoe Centre, Ref.): The third petition is very appropriate. It deals with budget '95.

It is quite timely. It was collected by small businessmen from my riding including Mr. Brent Stief, Mrs. Neillie Murray, Mr. Phil Walker, Mr. Arch Brown and Mr. Bill Schwartz.

The petitioners request that with Canadians already overburdened with taxation due to high government spending Parliament reduce government spending instead of increasing taxes and I wholeheartedly agree with all three petitions.

GUN CONTROL

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, it is a pleasure to rise and present three petitions today signed by people from West Guilford, Haliburton, Eagle Lake, Minden, Wilberforce and Tory Hill in the riding of Victoria—Haliburton.

They draw the attention of the House of Commons to gun control and ask Parliament not to pass any law that would prohibit the legitimate use of firearms.

A further petition concerns gun control and supports the present legislation before the House.

ASSISTED SUICIDE

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, I have the honour, pursuant to Standing Order 36, to present petitions on behalf of my constituents and the immediate neighbourhood of Winnipeg North.

The petitioners are concerned about physician assisted suicide and euthanasia, concerns that I share. They are concerned about the negative impact of such a move on families as well as loss of respect for human life and far reaching negative implications in society.

They therefore pray that Parliament continue to reject euthanasia and physician assisted suicide; that it continue to enforce section 241 of the Criminal Code prohibiting the commission of assisting suicide; and that it consider expanding palliative care accessible to all dying persons knowing that such care is compassionate and therefore will result in the relief of pain and suffering without the danger concomitant with assisted suicide.

GOVERNMENT SPENDING

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I would like to join my colleague from Fraser Valley East in presenting a petition from nearly 1,000 people in my riding of Calgary North requesting that Parliament reduce government spending instead of increasing taxes and also that Parliament implement a taxpayer protection act to limit federal spending.

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, I have a brief point of order with respect to the presentation of petitions. I have noticed that a practice seems to have grown in the House of members' indicating their concurrence with particular petitions.

This is a matter of debate. I wonder whether the Speaker might provide some guidance to the House on this matter because the practice has been growing.

The Speaker: The hon. member raises a very valid point. As a general statement the Chair would not encourage whether a member concurs with the presentation of a specific petition brought to the floor.

I would encourage all hon. members to desist from saying whether they are for or against certain petitions.

I have been letting this go for some time. Hon. members will understand that sometimes hon. members are put into positions in which they do not really want to say whether they are for or against a petition but it is their duty to present petitions to the House.

The point of the hon. member for Burnaby—Kingsway is well taken and I would encourage all hon. members to desist saying whether there is concurrence or not.

* * *

LABOUR

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the work stoppage in west coast ports has dangerous implications for the economy of western Canada and therefore legislation is urgently required to reopen the ports.

Therefore I move, pursuant to Standing Order 53:

That the 48 hours notice be waived in order to permit the Minister of Labour immediately to introduce a bill entitled an act respecting the supervision of longshoring and related operations at west coast ports and,

That the House not adjourn this day except pursuant to a motion by a minister of the crown.

• (1535)

The Speaker: Will those members who object to the motion please rise in their places.

Fewer than 10 members have risen to object, pursuant to Standing Order 53(4) the motion is adopted.

(Motion agreed to.)

* * *

WEST COAST PORTS OPERATIONS ACT, 1995

Hon. Lucienne Robillard (Minister of Labour, Lib.) moved for leave to introduce Bill C–74, an act respecting the supervision of longshoring and related operations at west coast ports.

(Motions deemed adopted, bill read the first time and printed.)

The Speaker: When shall the bill be read the second time?

Some hon. members: Later this day.

* * *

POINTS OF ORDER

STANDING ORDER 53

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I was looking at Standing Order 53, the provision under which the motion was presented to the House. I believe the motion presented is actually in contradiction of the intention of Standing Order 53.

Standing Order 53(3) says:

Proceedings on any such motion shall be subject to the following conditions:

(a) The Speaker may permit debate thereon for a period not exceeding one hour;

The intention of Standing Order 53, when it was passed by the House was not to allow debate to exceed one hour. The minister and government have proposed we ignore the intent of this regulation and continue debate until such time as a minister of the crown deems the day is over.

I believe this is specifically against the intention of the Standing Order. I would like the Chair to review this before we proceed any further along these lines.

• (1540)

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, as I understand the provisions of Standing Order 53, this is a matter of a very urgent nature in which the normal rules of the House are suspended.

In this instance clearly we are talking about overriding collective bargaining rights and moving directly to a bill. As I understand it, before the question is put on the motion, members of the House should at least be given an opportunity to be heard on whether this matter is of sufficient urgency to should proceed under the extraordinary provisions of Standing Order 53.

This is a very serious matter. I spoke with the president of the Longshoremen's Union Local 514, Doug Sigurdson. He indicated they are currently in conciliation on this matter. The government wants to short circuit the collective bargaining process and move directly.

If that is to happen, the Chair should allow members of this House the courtesy of being heard under the provisions of Standing Order 53. That was not done and I would appeal to the Speaker to reconsider his position and to give us an opportunity to be heard.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, with the greatest respect, what has happened is perfectly proper.

On the motion the government introduced, there seem to be two points raised by the hon. member for Burnaby—Kingsway and the hon. member for Battlefords—Meadowlake. The points are separate and so I will try to deal with them separately.

The first one is that somehow the motion proposed extends the debate on this motion which has been disposed of by the House for more than an hour. That is not correct. The debate is over. No one who rose to debate the motion when the motion was put to the House.

The Chair put the motion to the House and everyone was sitting in their seats. I looked around to see if anyone was rising in debate and not a soul rose.

The hon. member for Burnaby—Kingsway was glued to his seat. He did not want to debate this matter. Then he suddenly realized he made a mistake by not getting up.

The debate is over. The question has been put. There could have been a one–hour debate. The hon. member knows this. No member rose to speak. Therefore the question was put and disposed of by the House.

The motion simply allowed the introduction of the bill which has now been introduced to the House. It has received first reading in the House. We have an additional order that says the House may continue to sit this evening past the ordinary hour of adjournment until a minister of the crown moves adjournment.

That is all we have and that is the way the matter sits at the moment. Members should be content. We will see what develops in the course of the afternoon.

The Speaker: I wish I could say I am completely blameless in all of this. When I put the motion, I paused after the word "and". I did not see anyone rising in their place for debate.

It could be said that I should have called for debate. I did not but I understood that if there was going to be debate, hon. members would have risen at that time. That is why I went on to the second part of the motion. I put before you that I am sort of caught in a bind here. Perhaps I should have said the word debate, but I thought I waited long enough.

• (1545)

If an error has been made it surely has not been made by anyone but your Speaker. I do not know what the resolution of this should be. By the rules we have, the motion is deemed to have been adopted and carried and the matter cannot be re-opened.

I would hope hon. members would give enough leeway to the Chair. I wish I was blameless. I wish I had used the word debate. I understood that hon. members would rise if they wanted to debate, so in the absence of anyone rising I am going to rule in favour, that the motion is now carried. I am going to rule that the matter cannot be reopened. I am hoping for the understanding of hon. members. Perhaps you would give your Speaker a little leeway.

I do not want to prolong this. If the hon. member for The Battlefords—Meadow Lake has something to add, I know it is probably against the rules but I will hear him out.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I certainly understand the dilemma you are in because I face a similar dilemma at this end of the House. With all due respect, I believe you are aware that this is the first time in this Parliament the government has seen fit to utilize this section of the Standing Orders.

Therefore, when the minister rose to state that he was rising under section 53 of the Standing Orders, I immediately reached into my desk, pulled out the Standing Orders I have here, and was reading the Standing Orders as you were reading the motion.

It took me a couple of moments to realize that there was a debate on the motion itself. I like many members of the House take some time to understand the full implications of every standing order. With respect, I think it would have been appropriate had the word debate been used to prompt individual members to their feet should they have wished to debate the issue.

Having said that and understanding your position, Mr. Speaker, and given the nature of the debate, the fact that there is much information about the dispute the government is introducing legislation on, perhaps members may wish to reflect upon it.

I would ask for unanimous consent of the House to allow for this hour of debate to carry forward and therefore allow some of this to be discussed prior to putting the motion itself.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, consultation taking place at the moment on the issue to determine whether or not this would be advisable. If and when the House decides to revert to that, this would be no reflection upon the excellent ruling of Mr. Speaker. It would only be because of unanimous consent of the House to revert to that, should the House decide to do so.

While consultation is going on I reiterate for the Chair a further point. On reflection of the issue raised by the hon. member some moments ago, there seems to have been confusion about the fact that the motion as proposed by the minister discussed provision for the hour of adjournment tonight. That seems to have given way to some confusion between that and the one hour to debate the motion itself. I believe that was perhaps the cause of the confusion in the hon. member's mind.

Nevertheless, consultation having been achieved, I am pleased to report that we are prepared to consider unanimous consent.

• (1550)

An hon. member: No.

Mr. Boudria: Mr. Speaker, on second reflection we will have to wait for that to happen.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, having done the negotiating, I think you would find, in light of what has happened, that we are quite prepared to ensure when the bill comes up for debate that time be permitted to the New

Democratic Party to participate in the debate on the bill which otherwise might be jeopardized by some other arrangement.

I undertake to ensure in all negotiations about the debate on the bill that time be permitted to the NDP to participate in the debate. I think that will solve the problem. We need not reopen the issue.

Mr. Taylor: Mr. Speaker, in light of what has taken place here, I think out of consideration we would accept the offer put forward by the hon. member.

However I wish to stress that the point of the intervention was that the use of the standing order in this case was not introduced properly either by the government or in our understanding of the ability to debate early.

We realize even in the event of the debate carrying on through the evening that New Democrats would likely have an opportunity to speak. However the problem that exists is that the legislation the government is bringing forward, which the government is scheduling to pass this evening, may not be necessary given what is happening on the west coast. Therefore we should debate that process prior to debating the motion itself.

The Speaker: The dilemma that we face in the House seems to have at least a reasonable chance to be resolved without reverting in any way.

The hon. member for The Battlefords—Meadow Lake has made his point clear. I personally thank him for his understanding. I probably should have said the word debate. I assure him that the next time I will use the word debate.

My ruling would be that the motion is carried. I want to put the matter to one side, understanding of course the agreement of the governing party that hon. members will have a chance to fully participate in the debate. It would seem that there is unanimous agreement. Is there unanimous agreement?

Some hon. members: Agreed.

The Speaker: I thank hon. members for their help.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, my colleague, the hon. member for Wild Rose, requested that you consider an emergency debate tonight on the very issue that will be dealt with in the bill. That confirms the feelings of the hon. member that it is a very serious matter which needed to be discussed by the House.

In light of recent developments the hon. member should withdraw the request. It seems redundant to ask for an emergency debate when we will actually be dealing with the legislation we called for yesterday in the House.

The Speaker: I thank the hon. House leader of the Reform Party. I am sorry I will not be able to hear my hon. friend for Wild Rose. I was looking forward to hearing what he was going to say to the House.

QUESTIONS ON THE ORDER PAPER

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

The Speaker: Is that agreed?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that all Notices of Motions for the Production of Papers be allowed to stand.

The Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

THE BUDGET

FINANCIAL STATEMENT OF MINISTER OF FINANCE

The House resumed from March 14 consideration of the motion that this House approves in general the budgetary policy of the government.

• (1555)

Hon. Ethel Blondin–Andrew (Secretary of State (Training and Youth), Lib.): Mr. Speaker, it is an honour to rise in the House to speak today on a matter of great importance to the economic and social future of the country, namely the budget presented by the Minister of Finance two weeks ago.

In order to fully understand the measures taken by the Minister of Finance, it is useful to recall the fiscal and economic reality that confronted us upon taking power just 16 months ago. Unemployment and interest rates were high. Corporate profitability had plummeted. Business failures were at record levels. Many Canadians had quite literally lost hope. We were confronted with a huge national debt and growing deficit that threatened our economic and social futures.

It was a daunting challenge. However we tackled it head on and made job creation, economic growth and fiscal responsibility our top priorities.

[*Translation*]

The Speaker: My colleagues, if you have some things to discuss, I would ask you to do it behind the curtains. I now give the floor back to the Secretary of State.

[*English*]

Ms. Blondin–Andrew: I thank hon. gentlemen on the other side for observing the decorum accorded each speaker on such an important issue as the budget debate. I hope I did not lose any time.

We tackled the issues head on and made job creation, economic growth and fiscal responsibility our top priorities. The new budget is the latest step in our ongoing drive to restore Canada's fiscal health and reinforce investor confidence. When completed this drive will make Canada a magnet for investment, which will in turn encourage economic growth and create the jobs and training opportunities Canadians need to cope with the technological revolution under way.

The measures announced by the government on budget day were more than a cost cutting exercise. They represent a major restructuring that will redefine the way government operates and what role government will play in people's daily lives. The budget represents a basic restructuring of Canadian society as a whole.

As the Minister of Finance stated in his budget speech, government must only do what it does best and leave the rest for those who can do it better. This presents Canadians with an incredible opportunity to step forward and have a direct impact on the way their lives are shaped and the way their communities develop.

As we debate the merits of the budget today and the necessary actions the government must take to get its fiscal house in order, we must remember we are not in a unique position in Canada. Other countries have waited too long before taking adequate measures and have in a sense hit the wall, while others have taken strong and affirmative actions and as a result have positioned their economies to compete aggressively in the new global marketplace.

We can learn a lot from those examples. New Zealand is a case in point of a country that found itself with debt and deficit that became too large for its economy to sustain. Over the course of the past eight years New Zealand has gone through a dramatic and painful restructuring that saw whole government programs cut, eliminated or commercialized, user fees introduced for many aspects of government services, and the introduction of new tax measures such as the GST.

As a result of these measures New Zealand has drastically restructured its government and improved its fiscal health to the point where it posted a deficit of 1 per cent surplus of deficit to GDP ratio. However the painful lesson learned by New Zealanders and one we must not ignore is what happens when we wait too long to take these measures and what happens when we essentially hit the wall. When this happens countries quickly discover that decisions on social spending are no longer theirs to make but instead made for them by investors and international agencies.

• (1600)

Sweden, a country that has been long looked at as a successful model of society with a highly successful social safety net is on the verge of hitting the wall. In 1994 Sweden's debt to GDP ratio was an alarming 93 per cent while its deficit to GDP ratio was at 11.2 per cent. The year before, Sweden's deficit to GDP ratio was at an all–time high of 13 per cent.

The government there is facing enormous obstacles to overcome and put its fiscal house in order. Because Sweden has waited so long to restructure how its government operates, the very social programs that are the envy of the world are threatened simply because it has lost many of its options to manoeuvre.

This is a situation we must avoid in Canada. On the other hand, there are shining examples of countries that have identified the need to reform before it is too late.

Australia has taken a systematic and measured approach to restructuring how its government operates. It has been done in a way that not only brings down the expenses of government but also makes its programs more efficient, more effective and more relevant to the people who really need help and support. In 1994 Australia posted a 34.4 per cent debt to GDP ratio and a deficit to GDP ratio of 4 per cent.

That is why we have to act now. Our debt to GDP ratio has consistently been rising from 17 per cent in the mid–1970s to more than 71 per cent today. In order to ensure that we remain the masters of our own destiny, of our own ship, we must change. We must adapt.

Last year the government spent nearly $58 billion on social programs. During that same period $38 billion went to pay for interest on the public debt. If we do not get our fiscal house in order now, these interest payments on the debt will be greater than what we spend on social programs. If unchecked, we as other countries have, will hit the wall.

That is what this budget is all about. It is a major step in restructuring the government so that it can give us the kind of strong foundation we need upon which we can build strong social reforms which truly reflect and address the needs and priorities of Canadians in the 1990s.

Initiatives contained in the budget actually support Canada's social policies by creating an economic and fiscal climate conducive to job creation. This budget reflects the sense of balance expressed by a man from the Northwest Territories who responded to the social security reform workbook. He said: "There must be a basic safety net for those who, for whatever reason, are unable to provide the encouragement and the opportunity for people to become self–sufficient".

Some people have been concerned about how the budget might affect Canada's social programs. This is not surprising given the vast amount of speculation and misinformation which

surfaced prior to the release of the budget. No doubt most of this has now been laid to rest by the budget.

For those who might still have some lingering doubts, the best evidence of the government's unwaivering commitment to protecting our social programs comes from the social security reform initiative currently under way.

This initiative seeks to improve our current system by helping Canadians respond to technological and workplace change. It seeks to assure them of the jobs training and security they require. It does this by improving the efficiency of the system, thus guaranteeing its sustainability in the future.

At the same time, our government has no intention of waiting for the benefits that will flow from this budget and social security reform. Instead, we are acting now to ensure that all Canadians have the job and training opportunities they need to enter the mainstream of this country.

Here I think especially of those programs directed toward some of the neediest people in this country, the aboriginal people who have traditionally faced barriers to obtaining access to employment, training and promotions.

• (1605)

Pathways is a program designed for aboriginal people by aboriginal people in partnership with the Government of Canada. It is currently being reviewed to ensure it continues to reflect the needs of the aboriginal people in labour market training.

In addition, the new Canada social transfer, CST, will not affect aboriginal peoples living on reserves since there is no relationship between the CST and funding arrangements for social assistance and services delivered on reserves. This is because the Department of Indian Affairs and Northern Development provides funding on reserves through arrangements that are separate from the current Canada assistance plan. These arrangements will continue to be separate from the CST.

As well, the CST will not alter the existing responsibilities of the provinces for social assistance services to aboriginal peoples living off reserve. This goes for the government's program review as well.

While the program review will affect all aspects of government operations, the government is committed to providing programs and services to aboriginal peoples. We will continue to live up to our commitments in such areas as human resources development, aboriginal strategic initiatives, First Nations and northern communities child care and the pathways strategy which I mentioned earlier.

In preparing for the budget the government used a series of overarching principles to guide its course.

First, it was critical that government get its own house in order. The budget must focus on cutting spending, not raising taxes.

Second, every dollar counts. Governments do not have money. They are given money and with it they must act like every dollar counts because every dollar does count.

Third, it had to be fair and equitable, fair among our regions and fair among individual Canadians. In this essence the north has not been spared in the budget, but has shared equally and responsibly its burden of fiscal restraint.

As an example, the territorial formula financing payments to the Government of the Northwest Territories will be frozen in 1995–96 and reduced by 5 per cent in 1996–97. This will result in $8 million less in the first year and $58 million less in the second year. It should be noted that the majority of the population of the north is aboriginal.

Weather offices will close in Yellowknife and Inuvik, eliminating seven positions. There too, a bit of innovation and imagination is needed. It opens up an opportunity perhaps for the private sector to look at the possibility of offering this kind of service, maybe in partnership with learning institutions to train the individuals necessary to provide that service.

The Geological Survey of Canada office in Yellowknife will close. Considering the amount of activity in that area with diamond exploration, gold and a whole array of mineral exploration going on, it has been difficult to do that, but I think there is a commitment from the industry itself to pursue interests in that area. It is something we are living with.

The Canada–N.W.T. forestry co–operation agreement will not be renewed when it expires on March 31. The federal excise tax on gasoline and aviation gasoline increased by 1.5 cents, increasing the price of goods and travel in the north. We already have prohibitive costs since for the most part the first choice and option for travel is by air. We do not have a highway system. Most of the isolated communities are off the transportation grid.

The tax on airline travel increased by $5 per flight from $50 to $55, increasing the cost of air travel which is so important to northerners. We do not have the luxury of just getting into our cars or vehicles and driving out onto the highway. The highways we do have are in need of repair and are being repaired constantly by the Government of the Northwest Territories with ever depleting resources.

It shows, that every part of the country was affected, including that part of the country. It is the whole effort of getting back

to basics. People are taking another look at how they do business, how government runs its administration, its bureaucracy and delivers services.

• (1610)

The elimination of the public utilities income tax transfer is not just a problem for Alberta or some of the other provinces. It is a problem for different communities in my area. It will mean the elimination of $700,000 in transfers to consumers of private utility companies.

This is a very hard pill to swallow. In this country we have a partnership with individual Canadians to get our house in order and this is what this is all about.

As difficult and painful as it is, cuts in budgets and programs to aboriginal friendship centres will affect how the friendship centres in the north operate and deliver their programs. However, northerners are resilient people. Like every Canadian, they recognize the importance of getting our fiscal house in order.

Northerners also see opportunity in this budget. Occasions like this one when new arrangements are to be forged and new relationships to be established create positive opportunities for the territorial government to have greater flexibility and for northerners to have a greater say in developing and administering the programs and services which address their needs.

This is an excellent opportunity to see the successful completion of the northern mineral accord. This can give the territorial government along with its other partners the aboriginal groups greater responsibility and autonomy over the economy and fiscal situation in the north. Greater autonomy also means greater flexibility over the programs and services required to meet the needs of northerners.

Every part of this country wants to become self–sustaining and the Northwest Territories is no different with all of its complex diversity of cultures. Its population is not just one race or one group of people, but it is a whole mix of people. Greater autonomy also means there is greater opportunity for co–operation, for consensus building and a whole range of human dynamics that must be considered.

Restructuring through program review, the territorial transfer or the CST also presents the opportunity for constructive dialogue in a process that is inclusive. It is a process which gives a greater voice to all stakeholders and not just government, including community leaders, activists, social workers, youth organizations. It is a comprehensive and inclusive process. It is an opportunity that can lead to greater independence from government, to become increasingly self–sufficient and self–empowering, to become masters of their own destiny and masters of their own ship.

The fourth principle used by the Minister of Finance is that we must have priorities as a country that mirror our needs as a people. These priorities must be reflected in the way government defines its role. It is that principle I would like to expand on and what this will mean on how government will operate in the future, but more important, on what role government will play in the lives of people.

In order to ensure that the needs of Canadians are met, to ensure that programs and services remain relevant and to ensure our continuing economic sovereignty, the budget measures also included a major restructuring of government through program review. Its main objective was to review all categories of federal government spending in order to bring about the most effective and cost efficient way of delivering programs and services to Canadians.

The exercise of program review is not simply a way of bringing down how much government costs. It also makes government more competent and more relevant to the people who really need help and support.

It is time for government to get back to the basics and to reflect the priorities of people. As the Minister of Finance stated in his budget address: "We are acting on the new vision of the role of government in the economy and in society. In many cases that means smaller government. In all cases, it means smarter government".

This government restructuring will have implications on what role government will play in the daily lives of people. To a certain degree government restructuring also means a restructuring of society, and that is where the real opportunity lies in the budget. As government gets back to the basics there are opportunities for Canadians to step forward, to rethink and redefine their values and responsibilities to themselves, their families and their communities.

• (1615)

Governments do not have all the answers and solutions. In redefining its role in Canadian society, the government will need people to step forward and share the burden of responsibility. Where governments have failed in the past, individual Canadians will have to stand up, play positive roles and contribute not only their knowledge but local solutions to local problems and also their sweat equity, their sweat, blood, and tears, to ensure success.

The government is calling on Canadians to participate and to be part of a process that is going to set the future straight for years and generations to come, to ensure a future for our children. This commitment will need to be ongoing even with restructuring; government can only go so far.

I conclude by saying that in the end active participation is the ultimate challenge of the budget. It is a challenge and a

responsibility not only to members of the government and members of the House, but to every person in the country.

As the Prime Minister stated, the key—

The Deputy Speaker: I have given the minister extra time already. I am sorry, her time has expired, unless there is unanimous consent that she be given more time.

Some hon. members: No.

[*Translation*]

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, I listened attentively to my colleague's speech. The problems she described in her region sound pretty similar to those in mine, except that the solutions she offers are almost unacceptable, and I will tell you why.

If I understood correctly, she is telling the poor, people with major problems, the unemployed, people on UI and income security that they must show more imagination and initiative.

I also heard the other day one of her colleagues on the other side of this House say that a former member of Parliament who has been without a job for eight years is having a very hard time finding work even though he is well–known. Yet, he is not lacking in either imagination or initiative.

Whenever the poor—whether it is a single person, a couple or a family with a father, mother and four children—are unemployed, they are asked to show initiative and imagination. Yet, when a person whose salary was much higher has trouble finding another job, we commiserate.

The budget may also hit seniors next year. In my region, farmers face cuts of 15 per cent this year and 15 per cent next year for a total of 30 per cent, which represents about $2,500 a year for the average farmer. This leads me to ask my colleague if we are looking for revenue in the right places or if we simply get the money from the pockets of the most disadvantaged and the poorest.

My colleague did not say that these people were lazy, but she said that they should show more imagination and initiative. Seventy–five per cent of the time, they are full of imagination and initiative, but they are still without jobs. I would like her to explain this to me.

• (1620)

[*English*]

Ms. Blondin–Andrew: Mr. Speaker, I would like to tell my colleague that anything I said certainly was not prejudicial to the people who are poor or people in different wage categories. We understand we have equality of opportunity. Everyone has the opportunity to participate. Everyone has the opportunity of freedom of speech, to be mobile, to move, to look for the opportunities. Sometimes it is more difficult. I agree that can be a problem.

When I talked about innovation I was not just talking about the consumers of government programs or people looking for jobs. I was talking about all sectors of society. It is a process where government will participate but sometimes people or organizations can do it better so we will defer to them because it will be more cost efficient and more effective.

As for opportunities for people, we cannot step back and be ashamed of the fact that we have managed to create 400,000 jobs. One hundred thousand of those were directly related to government initiatives. Many of those jobs were in Quebec. We are not ashamed of that. We are quite happy to recognize that and affirm that we have a commitment to continue helping people.

It is not just government's responsibility. People want us to change the way in which government works so that they will have the opportunity to be active participants rather than to have a passive role. They are dying for the opportunities. We want to make those available to them.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, in the remarks of the Secretary of State for Training and Youth she commented quite extensively about programs for aboriginal people and the ability of aboriginal people to participate in our economy as a result of budgetary measures.

She mentioned a number of programs but I notice she did not mention the aboriginal economic development program, something that is absolutely essential to provide assistance to aboriginal people who have difficulty in achieving financial commitments from existing financial institutions to develop the economic means by which to create self–sufficiency within their own communities.

The aboriginal economic development program, just when it is needed most, has received a more than unfair reduction in commitment from the federal government, a reduction of approximately 30 per cent as I understand it.

I wonder if the secretary of state could comment on the need for the aboriginal business development program and what her thoughts are about this unfair cut or reduction in federal commitment to that program.

Ms. Blondin–Andrew: Mr. Speaker, I was not speaking just to aboriginal issues. I was speaking to those within the department that I work in. I was not speaking to the ones in the Department of Indian and Northern Affairs or Industry. I am not ashamed to speak to those issues. I am not afraid and I am not reluctant. I just did not mention it.

There was a 25 per cent cut. Part of the effort in the program review and looking at the way we deliver services to people is to make these programs more efficient, more effective, more directly related to delivering services to the individuals, to the

people they serve rather than developing an administrative bureaucracy which would tend to serve the industry itself rather than its clients.

Yes, we have made cuts. I just finished saying in my speech that every Canadian is going to share the responsibility in this exercise. I know. I am no stranger to the poverty of those people. Those are my people. I understand that.

Every Canadian is going to share the responsibility. Let us weigh things fairly. The Department of Indian and Northern Affairs which serves aboriginal people was the only department that has an $8 billion budget that is going to have an increase of I believe 6 per cent when all other departments were cut.

• (1625)

I acknowledge that there have been cuts to some aboriginal programs but there have been cuts to almost every program and service across the board in every department and crown corporation.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, I will share my time with my Bloc colleague, the hon. member for Matapédia—Matane.

The Minister of Finance tabled his budget on Monday, February 27. I rise today in this House to state my position, my concerns and my disappointment in reading this budget. I will also share with you my personal analysis of the negative impact this budget will have on the participation rate of Quebecers in the Department of National Defence. While this budget is well received by the business community in general, and foreign investors in particular, the fact remains that once again low and middle income taxpayers are the hardest hit.

The government wants us to believe that Canadians from every walk of life, including the wealthiest, are affected by its budget cuts, but there is a world of difference between the finance minister's claims and actual fact. The fact of the matter is that the wealthy have until 1999 to convert their family trusts, to shield them from the minister's cuts and not pay any tax on their accumulated and future wealth. Also, the Liberal budget completely ignores the recommendations made by the Auditor General of Canada in his last report which made reference to $6.6 billion in unpaid taxes. The federal government does not propose anything to recover that money.

How can the government pass up so much money without immediately taking the necessary measures? Is $6.6 billion not enough money to spur it to take concrete and effective action?

Let me give you another example which illustrates the inconsistency of the budget and fiscal strategy announced at the end of February by the minister, and which shows that the minister's goal of tax fairness is merely an illusion. This example is also taken from the Auditor General's report: In Revenue Canada's opinion, 470 accounts of over $100,000 each, representing a total of $350 million, were at the collection letter stage, which means that no collection officer was involved, except in terms of reviewing the risk of loss.

By not taking action in this specific case, the Liberal government is sending the message that it is easier to get the money from low and middle income taxpayers, than from corporations or wealthy individuals who do not pay their fair share. This system is supposed to be fair, but who profits from it?

In my opinion, the 1995–1996 budget plan includes other examples of unfairness. Take a look at the summary of the Main Estimates, by department and agencies. Two thirds of the departments and agencies will see their budget reduced, while the other third will be getting more money.

Who will get an increase in 1995–96? The Senate, with a total budget of more than $42 million; the Governor General, with a budget of over $10 million; the Department of Indian Affairs, with an increase of $327 million; Treasury Board, an increase of $32 million; Finance, an increase of more than $9 billion, $9 billion to service the debt; the Privy Council, which is responsible for defending the "no" side in the Quebec referendum, will have an increase of nearly $5 million; and the list goes on.

• (1630)

And even worse, the federal government's total estimates will increase by more than $3.7 billion, which will bring total spending up to $164.8 billion. Incredible. With a deficit of $37.4 billion for 1994–95 and a projected deficit of more than $32.7 billion for 1995–96, we are sinking deeper and deeper into the hole.

By the end of the current fiscal year, the net federal debt will be $578.8 billion. Incredible. The federal government's present financial situation is a reflection of what the future has in store. Furthermore, the budget brought down by the Minister of Finance contains no prospects for jobs in the short and medium term. Where are the jobs we were promised in the Liberal red book? Ask the federal public servants who believed those promises.

The steps taken by the federal government to put this budget together fall far short of the expectations of taxpayers in Quebec and Canada. These measures are an outright breach of our social contract.

Now for a few words about the Department of National Defence. The budget announced cuts totalling $1.6 billion over three years. The Bloc Quebecois, in the minority report of the Special Joint Committee on Canada's Defence Policy, insisted

on additional cuts of 15 per cent, which would put the National Defence budget at $10 billion as of the first year.

I question the federal government's strategy, since additional cuts could have been made in certain budget items in the Department of National Defence, including capital expenditures, materiel and new equipment purchasing policy, the armed forces organization and, finally, program management.

For the same three year period, the Bloc Quebecois proposed cuts of $4.8 billion—three times the government's figure. Unfortunately, the federal government preferred to slash transfer payments to the provinces and cut the federal public service this year.

In this regard, I would like to recall the commitment the Liberal Party of Canada made in its famous red book, which it did not keep. It said that, once in power, it would set up a defence conversion program that would have attractive spinoffs for private enterprise. This was their promise.

What did the budget say about defence industry conversion? Not one word—nothing. For the past 15 years, the federal government and the Department of National Defence have failed in their role of equitable allocators of military expenditures for Quebec.

In a study for the École nationale d'administration publique, made public in February, the author revealed a shortfall of $650 million a year for Quebec.

The situation is very clear. Unfair treatment in the allocation of military expenditures has had disastrous consequences for a number of areas of economic activity in Quebec. Although Quebec contributes 25.4 per cent of the budget for national defence, it gets back a meagre 17 per cent in military spending. It has been the same old story for the last 15 years. This very unfavourable distribution continues to cost Quebec jobs and investment dollars.

Quebec is even worse off when it comes to the funds that the Department of National Defence allocates for research and development.

• (1635)

In 1990–91, Quebec received only 12.45 per cent of this spending—12.45 compared with the 73 per cent that went to Ontario. The situation has not changed since then. In addition, francophones have great difficulty rising through the ranks of the Canadian armed forces. While francophones occupy between 22 and 29 per cent of the lower–ranking positions, they occupy only 10 to 13 per cent of the higher ranks, according to the latest statistics. It is not difficult for francophones to enlist in the forces, but it is very difficult for them to become generals. It always has been and still is.

In 1994, the Minister of National Defence took away the country's only French–language military college, the military college in Saint–Jean. What a decision! Once again, the federal Minister of Finance is asking Quebec to do its share in his budget. The government is closing the military base at Saint–Hubert. Over 600 people will lose their jobs. It is cutting another 285 jobs on the Bagotville base. Before the cuts, less than 15 per cent of all federal military facilities were located in Quebec. What is left? Not much.

What should we tell taxpayers in Quebec who feel that the federal government costs them too much money for the return they get on their investment? If Quebec were to patriate the power to tax and to spend—about $30 billion is in question here—we would be able to set up a system which really is fair and we would make our own decisions. That is how Quebec will best be able to develop and grow.

[*English*]

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I thank my colleague for his remarks. They were spoken with such passion they left me almost breathless.

I would like to put a question to my colleague which will take him a little beyond his remarks. It is probably well known to him as it is to many members in this House that I have an interest in special interest groups.

The budget did introduce for the first time the concept that new guidelines would be brought in for the funding of these special interest groups which receive direct grants from government with very little accountability for what are often advocacy groups.

Does he feel this is an area of reform for the government applicable to Quebec? Should groups which have these special agendas see their funding cut as we hope to see elsewhere in the country?

[*Translation*]

Mr. Leroux (Shefford): Mr. Speaker, I wish to thank my colleague for his question. All I can say is that if we look at the budget as a whole, the federal government faced a $37 billion or $38 billion deficit last year, compared with a $33 billion deficit forecast for this year. The government is saving money on the backs of the provinces. Since the provinces will have less money, they will have to cut spending for post–secondary education, health care and other services under provincial jurisdiction. That, in my opinion, is tragic.

I would also like to go back to the closure of the military college in Saint–Jean. I think that this is an appalling decision. It is appalling for Canada, because Canada has always maintained that it is a bilingual country and tried to give that impression. However, by closing the military college in Saint–Jean—as we can see, enrolment is already way down, a drop of 40 to 60 per cent this year—the government is simply telling us that, at the end of the day, bilingualism is not important.

• (1640)

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, on February 27, the Minister of Finance tabled his budget in this House. This event extensively covered by the media was preceded by a fear–mongering effort to scare the public. They said the budget would hurt all taxpayers, but they did not tell us the most important part.

And that is that the creditors to whom the Canadian debt is owed wanted to make sure Canada would be able to pay the interest on its debt in the years to come. That is what the problem was. It was also most important to let it be known that the federal government was waiting until after the Quebec referendum to make major cuts, once again deceiving the people.

When I was first elected to this place by the residents of the riding of Matapédia—Matane, I was sure I was coming here to serve the interests of my region and that is what I have been doing ever since: serving the interests of my fellow citizens. But since February 27, I have had to admit that it is not really the hon. members and ministers opposite who run the country, but rather big financial players.

What are the ministers and members across the way doing here if they let their Minister of Finance table a budget like this without saying a word? I must admit that certain members did stand up and denounce this budget and I am proud of them. I only wish others would follow suit.

What power do these members and ministers have in this House? I hope they are not mere puppets. When the creditors of a country tell its finance minister what to do, it means that the country has lost its monetary and financial independence.

Who has led us into that tunnel? None other than the Prime Minister, when he was the Minister of Finance. The process started with him. That farce shows a serious lack of respect for Canadian taxpayers, particularly those from Quebec, for whom the big cuts will come after the referendum.

Why not tell the people the truth? Why not tell them now what they are in for? Stop hiding your despicable and partisan goals. The Minister of Finance's action lacks any consistency and is a monumental hoax. I can tell the minister that Quebecers will remember him and his party on referendum day. My constituents in the riding of Matapédia—Matane will not be fooled.

The federal budget will hit them very hard. Let me give you a few examples. There will be cuts at the Maurice Lamontagne Institute, in Sainte–Flavie, in the Supply and Services division in Matane, and in the offices of the Department of Human Resources Development; fishermen will be hurt by the service charge in fishing ports and harbours; cuts will also affect farmers and milk producers; finally, there will be a gas tax increase, in a region where gas is already more expensive than elsewhere. Last year, Rimouski residents blocked a road in an attempt to have the price of gas go down. It did go down one cent, but now it is going up one and a half cents.

Since the budget was tabled, the only ones to speak in favour of the government's strategy were the creditors, and even they had mixed feelings about it.

• (1645)

A few days later, we were again faced with rising interest rates and a falling dollar on financial markets, a quick response to the minister's budget.

Blaming Quebec for this country's financial situation shows an unprecedented lack of logic. If Quebec were to blame, would members opposite not tell us to become sovereign as fast as possible?

The impact of this budget will be shocking, and pretty soon the minister will tell this House he can no longer control the deficit or stop the growth of the debt.

In the days following the budget, we saw that Canada's provinces, including Quebec, rejected the minister's vision, and today, everyone openly condemns that vision, especially Ontario.

And now for a closer look at the disastrous impact this budget will have, starting with the catastrophic impact the spiralling federal debt will have on job creation and corporate investment.

For people who do not have a job and those who will be affected by unemployment insurance cuts, the future is very bleak. Because of the poor economic climate, consumers will spend less, and businesses will postpone investment projects because of the high cost of borrowing.

It is clear that this government, which promised hundreds of thousands of jobs, has missed its target by a mile. It misled everyone. I would say it practically lied to the entire population. It has turned its back on its commitments.

In addition to letting the debt grow at an alarming rate—everyone is saying it will reach $603 billion in 1996—the government has just cut 45,000 jobs in the Canadian public service. This government is now producing unemployment instead of encouraging job creation. How many of these government employees will join the ranks of the unemployed? And there are hundreds of indirect jobs that will disappear in the process.

In the outlying regions, these job losses will have a disastrous impact on an economy already weakened by a recession that is still smouldering.

The government has just created a feeling of uncertainly, which will have very serious repercussions on the performance of the public service as a whole and on other related areas of activity.

There is nothing in this budget for the 800,000 unemployed and people looking for work in Quebec. On the contrary. Fortunately, the Government of Quebec knows how to create jobs.

The only good federal program is the infrastructure program, and it is being cut by $200 million.

We are all aware that Canada's debt has mortgaged the country's future. Quebecers have made this point repeatedly. At the hearings on the future of Quebec, everyone where I come from fears the worst, because it is clear that the ship is leaking and the captain has abandoned his duties. The people of Quebec will give a clear response to this government in the upcoming referendum, and neither fear nor threats will change the course of history. After the victory of the "yes" votes, the other provinces will have to decide what sort of country they want. I am sure that others will want to follow the road the people of Quebec are preparing to take.

In concluding, I would say: Long live Canada without Quebec, and long live Quebec without Canada.

• (1650)

The Deputy Speaker: It seems that I must split the time. First, the hon. member for Durham.

[*English*]

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, I listened with interest to my colleague's comments. Every time we get into this debate somehow Quebec seems to be a very interesting place with no debt problems but a simple examination of its financial record indicates quite the reverse. I believe the province of Quebec's deficit is currently about $70 billion. This was done in Quebec by Quebecers. It continues to expand and if my memory serves me correctly, it is probably expanding a lot faster than the federal government's deficit.

While the leader of the Government of Quebec is out talking about sovereignty, he is not dealing with the very problems of his own province. It costs $5 million for a sovereignty debate that nobody wants. This is irresponsible. I do not believe the people of Quebec are going to be happy with this expenditure or with the continual pushing of Quebec into a deficit situation.

Bonds are a big financer of government debt. Quebec government rated bonds continue to escalate their interest costs. Why? Because people have many misgivings about where this is going.

The hon. member talked about job creation. Job creation and job losses are an absolute. They must be netted together. Sure, there will be job losses in the civil service. Everybody in Canada, including Quebecers, have said how necessary it is that governments downsize and become more efficient.

I have heard my colleagues from the Bloc say those very things. Stop duplication. When the government stops duplication they say: "You should not lay these people off". The reality is that 433,000 new jobs were created in Canada last year, net job creation. That is positive and it includes Quebec.

Finally, $78 billion of the federal government debt is held by Quebecers. They believe in Canada, but what is their future with this crazy concept they have? How are they going to get reimbursed in this strange emulation of a new country? There is $78 billion that Quebecers hold in Canada.

I would like to have the hon. member answer those questions.

[*Translation*]

Mr. Canuel: Mr. Speaker, I would like to thank the hon. member for his question. You talk about duplication. I want to know what duplication has been eliminated over the past few years. None.

Another point. I agree that Quebec has a high debt. However, for years and years, decades and decades, the federal government has been transferring money to Ontario and to other provinces for research and development, while the money it has been transferring to Quebec has been in the form of unemployment insurance benefits. One thing is sure: when one region is without work while research funds are sent to another, there is something wrong.

Regarding sovereignty, I want to say that even though our debt is high, we can handle it, and that we are prepared to pay part of Canada's debt, because we are part of it and we have a moral obligation to do so. If I were on the other side of the House, a government member from Ontario, the maritimes or the west, do you know what I would say to the Bloc? I would say: "If you want to leave, go".

Why try holding us back? Why tire yourselves out in the effort? We are convinced, I am convinced that we are able to manage our debt intelligently and at the same time help to pay off yours.

• (1655)

Then what more do you want? I, myself, have never understood why the rest of Canada is saying: "Why not you stay with us. This is terrible. It is going to cost you". We are going to spend a few million dollars on the referendum. But how much are you going to spend? I rephrase my question. If we are so poor and have so many problems, why are you so desperate to keep us in the federation?

[*English*]

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue, Lib.): Mr. Speaker, I would like to inform the House that I will be sharing my time with the hon. member for Davenport.

Many Canadians are concerned with Canada's future prosperity and with maintaining our quality of life. The finance minister's February 27 budget is a key element in maintaining prosperity and Canada's way of life.

The budget is a plan that will bring this country into the 21st century. It demonstrates our commitment to reshaping government to meet the needs of Canadians and to deliver on our promise to get our fiscal house in order. It supports our primary economic objective to sustain growth and job creation by cutting our deficit. It demonstrates our commitment to fiscally responsible government.

I will not make any bones about it; I believe that the budget is tough, very tough, but fair. The budget is tough but fair both in what it does but also in what it does not do.

Like many members of Parliament, I took advantage of the finance minister's opening up of the budget process. The government held the widest and most open prebudget consultations ever held. To ensure that my constituents had their say, I held two prebudget meetings in my riding of Essex—Windsor. The actions of the finance minister proved that this was not a cynical exercise. My constituents and many Canadians asked the finance minister to tackle the deficit in real terms. That is what this budget does.

This government is the first government in years to set deficit reduction targets and to meet those targets. Let me reassure the House that the deficit will be brought under control and our deficit targets will be met. The government has shown that it has the resolve and commitment to Canada's long term future to do what is necessary to meet our targets.

By 1996–97 Canada's deficit will be at 3 per cent of gross domestic product. That is $24.3 billion. If the economy keeps growing, and it will, this figure may be even lower. The bottom line is close to a cut of $7 in spending for every dollar for new revenues over the next three years.

To ensure fairness, both business and individuals are being asked to share the load. Recognizing that individuals' income taxes have increased over the last decade at a much faster rate than corporate taxes, the budget includes measures to address that inequity.

The large corporation tax rate will rise from .2 per cent to .225 per cent, an increase of 12.5 per cent. The corporate surtax, which is currently 3 per cent of the basic corporate tax rate, will increase to 4 per cent. There will also be changes made to strengthen Revenue Canada's ability to enforce the law and ensure that all Canadians pay their fair share of taxes and to reduce unfair competition for businesses that do play above board, that play by the rules.

Banks and trust companies are also being asked to contribute further toward deficit reduction during the next year and a half. They will contribute $100 million through a special tax on deposit taking institutions.

Big business has often stated that it does not need or want the level of assistance it receives from the federal government. Accordingly, the government has listened and taken these claims at their word. We will reduce spending on subsidies for big business by close to 60 per cent over the next three years.

However, the government, unlike the last one, realizes that a successful tackling of the deficit requires a two track approach, as was advocated in our red book. To eliminate the deficit, the government must also create a climate that creates jobs.

This budget recognizes that small and medium sized businesses are the cornerstone of Canada's economy. They are the number one job creator. To further help small business we intend to work with Canada's banks and trust companies to establish clear rules so that small business loans are easier to get.

• (1700)

In my prebudget consultations many of my constituents recommended Canada re–examine our commitment to foreign aid in view of needs in Canada. The government has done this and will reduce foreign aid by 20 per cent over the next three years for savings of over $500 million.

Many of my constituents also questioned the need for so many agencies, boards and commissions. As a result of the government–wide review of these government bodies, decisions have been made affecting 120 of them: 73 of these will be closed, 47 will be streamlined and restructured. The result will be 665 fewer government in council positions, fewer ministerial appointments and savings of $10 million a year.

In my prebudget consultations my constituents had many suggestions on what action the government should not take. Do not eliminate RRSPs, they said, and we did not. Do not increase personal income taxes. We did not. Do not introduce a health or dental tax benefit. We did not. Do not eliminate capital gains exemptions for farmers and small businesses. We did not. Do not introduce a tax on casino winnings. We did not.

I have said that this budget is tough but fair. Many of the reviews have also been tough but fair. A Windsor *Star*, editorial of February 28 stated: "What we can applaud in the budget is the vow to create a smaller and smarter government. The 14 per cent reduction in the civil service over the next three years combined

with the $10 billion in cuts to departments will result in a fundamental reshaping of government".

The Windsor *Star* also reported that Windsor's business community was encouraged, shocked even, by the wide swing of the minister's budget axe.

The Windsor Chamber of Commerce chair, Othmar Stein, was quoted in the *Star* as saying of the finance minister: "He's got the message. A lot of this was overdue. A lot of the subsidies are gone, even for business".

Mr. Stein, a vice–president of Chrysler, concluded: "Overall I'd say it's a very realistic budget, quite positive. It's one of the first budgets in a number of years that has not been smoke and mirrors."

Aron Gampel of the Bank of Nova Scotia says it is a strong fiscal statement that meets all the tests.

The *Wall Street Journal* reversed its editorial stance regarding Canada, summed up in its headline several weeks before the budget as "Bankrupt Canada". After the budget it proclaimed Canada made a right turn.

The editorial commends the finance minister for showing the determination needed for Canada to claw its way out of the debt hole which decades of spendthrift policies landed it in.

The budget charts a new course for agriculture. In agriculture the government has set a target to achieve by the turn of the century, annual food exports valued at over $20 billion. This is an increase of at least one–third over our record setting performance in 1994.

To do this the government will be introducing a new export credits guarantee program to support grain and other agri–food export sales up to a value of $1 billion.

Consistent with the red book, the government will implement a Canadian agri–food marketing council and Canadian agri–food marketing service to ensure enhanced market development and effective use of the global information highway.

Our first fiscal year was not all doom and gloom. The Canadian economy is stronger than it has been in years. Real economic output grew at about 4.5 per cent in 1994, the fastest of the G–7. Over 433,000 jobs were created in the past year, almost all of them full time.

The unemployment rate has fallen by 1.7 percentage points nationally. Manufacturing output is up over 9 percent in the past year. Improved cost performance has lead to record breaking exports, a growing trade surplus and a dramatic improvement in the current account.

I assure my constituents the budget belongs to a Liberal government. A Liberal government brought in new and innovative programs in the sixties and seventies to meet the challenges and needs of those decades. The government is adapting all programs to meet the needs and challenges of the nineties and the 21st century.

We understand change. We have always been at the forefront of change. The budget is change. The Liberal Party has been traditionally a pace setter. I know the budget sets the pace for the 21st century.

I will end with a comment one of my constituents sent me during the prebudget process. With reference to the difficult choices facing the Minister of Finance, he wished him resolve: "My two young children will thank you, as you will be remembered as the finance minister who saved Canada from bankruptcy".

• (1705)

Hon. Charles Caccia (Davenport, Lib.): Mr. Speaker, I am pleased to have the opportunity to participate in this debate. Canadians know very well that we have inherited an economic mess from the Conservatives and that steps must be taken to reduce the deficit and the debt. On that we all agree.

The major preoccupation of this budget is to appease the marketplace, in particular rating agencies. Having done so this year one may expect Wall Street to demand more measures of the same kind in future budgets.

To deal with this the Prime Minister is taking the issue of currency speculators and their impact on national economies to the next meeting in June of the G–7 nations, a very timely initiative for which he is to be congratulated.

There are a few positive measures in the budget for which the Minister of Finance is to be congratulated. For instance, from the perspective of sustainable development one could highlight his decision to remove the 20 per cent limit of a donor's income when donations qualify as ecologically sensitive land. There is a commitment in the budget to study barriers or disincentives in the use of recycled materials over virgin materials.

There is a promise to examine the tax system in search of disincentives to energy efficiency and renewable forms of energy. Subsidies were cut in the energy sector that encouraged uneconomic and unsustainable supply development. Much more needs to be done if we are serious about reducing greenhouse gas emissions.

This brings me to the end of the list of good news and back to the question of how to reduce the national debt and the deficit. It is a necessity on which we all agree.

In the weeks and months preceding the budget several presentations were made repeatedly that social spending is not the cause of our economic ills and that our deficit problem, rather than through cuts in expenditures, ought to be resolved through increases in revenue by way of closing tax loopholes. Billions of dollars a year are forgone in revenue because of existing tax loopholes, including items such as lottery winnings, business meals and entertainment expenses and other existing items well

identified in a report by the Department of Finance dated January 1994.

To his credit, the Minister of Finance closed a couple of loopholes but the tax system remains unprogressive as a result of nine years of Conservative government, Conservative budget making.

It is time for a thorough review of our tax system as it stands now. This review is made even more urgent and necessary and relevant by the fact that the social envelope as announced in the budget is being reduced by $7 billion. Had more tax loopholes been closed, had the tax system been put under the microscope to the same extent that the social security system has been, it would have not been necessary to reduce the social envelope. We would have funds available to diminish the necessity of cutting expenditures. We would have funds for the creation of employment programs for youth desperately waiting for job opportunities which are now not materializing despite our vigorous economic growth.

In other words, closing tax loopholes would provide the government with badly needed revenues to combat unemployment and to apply less severe cuts. Time does not permit to comment on the many cuts and I will therefore comment only on a couple which are particularly painful.

• (1710)

One reduces the social housing budget by $270 million at a time when in Toronto alone an applicant has to wait over four years.

Why reduce the protection of our natural resources by one third, the estimates of the environment department, and allocate to the department of defence almost 20 times as much, $9 billion? What is more important?

Why reduce international aid at a time when health and development projects are so badly needed for the stability of nations most in need?

How can we implement our red book commitment to sustainable development with a 70 per cent cut in the federal allocation to the Canadian environment industry, while leaving the nuclear industry unscathed from any budget cuts?

How can we maintain and strengthen the Canadian identity when the budget of the Canada Council is cut in half? How can we promote and sustain artistic talents without the support of the federal government?

In a way it is too late to talk about the budget, but not too soon to talk about the next one. For 1996 we will keep on working so the budget will have a different orientation, an orientation to the promises made in the red book, an orientation to deal with unemployment, the protection of the weaker in society and the social needs of Canadians.

Over the years Canadians have turned to the Liberals at election time because they trust us as the party that knows how to strengthen and intertwine social and economic policies. This principle is as valid today as it will be 20, 40 or 60 years from now. Hopefully the budget will have the desired effect and we Liberals will be able to turn our attention to the other half of the equation, developing strong social and job creation initiatives and policies in the second half of our mandate for the benefit of the total Canadian society.

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I wish I could say at the beginning that it is pleasure for me to speak on the budget. I cannot do that. My feeling is one of great disappointment. The government is still not facing the reality or the severity of the problem Canada is in today.

The budget has given us minor cuts when major cuts are needed. It did include some hidden taxes where no tax increases were justified.

We owe a debt of thanks to the thousands of citizens who wrote in and attended tax alerts to send the very strong message to the government that there was no room for tax increases and that the books had to be balanced and that balance had to be brought about by cuts or reductions in spending with no new or increased taxes. We did achieve that to some degree. However, there were some hidden taxes in the budget.

This was a two stage budget. I will review the first budget and this budget. In the first budget it was interesting that the government said: "Canada has a problem. It is not too serious. Do not get too excited about it. Take an aspirin and when you get up in the morning you will feel fine. Do not feel bad. Be happy". It introduced a budget that actually aggravated Canada's condition because our debt over the year of that budget grew from $490 billion to $550 billion. Canada is in much more serious difficulty.

We even thought in that first budget we could buy our way to prosperity. It included the $6 billion infrastructure program.

Canada's problem has worsened. With the second budget the diagnosis is that Canada is gravely ill. We do have a very serious problem with the deficit and the debt and it must be attacked. However, the cure is $650 billion of debt, still overspending by $25 billion and $50 billion in interest payments. I hardly call this progress. I hardly call this a cure. Canada is going further and further into the hole.

• (1715)

The government has diagnosed that it understands the gravity of the situation. The government has moved over to our position. It has agreed that Canada is gravely ill. The only thing we disagree on now is the treatment to cure our problem. The deficit, if we agree, is life threatening. Then why if it is life threatening to our country would we vote for, or go for a slow,

hopeful, drawn out recovery; we hope we will get the books in balance.

Suppose someone were in a life threatening situation and the doctor said: "We can give you pills for the next five years and you might recover but the alternative is major surgery and you can be restored to health very quickly and get on with the healing process". Why would he take a chance?

Why would we gamble our future on the uncertainties of the marketplace, of interest rates? We do not seem to have anything in this budget to prepare for the eventual downturn in the economy that will come. It is not a question of if it is going to come, it is going to come. It is a question of when it is going to come.

There are some dark clouds on the horizon. Even south of the border, the situation in the United States could deteriorate and it would have a grave effect on the economy right here in Canada. We know that and we are not preparing for that in this budget. Time is running out. We do not have unlimited time. Unfortunately, that message is not getting through and has not been reflected by the government.

I was interested in the remarks of the Secretary of State for Training and Youth. She spoke about the New Zealand experience, how New Zealand realized the magnitude of its problem and did something about it. New Zealand's debt was at 50 per cent of its GDP when it realized its problem. Ours is currently about 70 or 71 per cent of GDP and we still are not facing the realities and doing the major surgery which needs to be done.

The claim in the first budget was that the government did not have enough time, that it had just taken over. The present government had been in opposition for eight years. What was happening in those eight years? What was happening in those eight years is that those members were adding to the problem in opposing any attempts to bring the deficit and the debt under control. I very well recall the UI debate when there was an attempt to reduce costs. The protest came from the other side at the attempt to reduce spending.

Here we have a budget. We had no plan to get us to zero or to balance the books in the first budget. We still do not have a plan with this budget. There is no fixed date to arrive at what we must arrive at, which is a balanced budget.

We have lost our credibility with the markets in this budget because we did not do anything about the MP pension plan. We had to do something to restore our credibility because it is low. That would have said very loudly and very clearly to the markets and to the Canadian people that yes, the government is serious about the problem and it is showing leadership by example. It failed to do that. Canadians did not miss that message, nor in fact did our lenders. Our lenders have spotted the fact that we were not serious about the problem we face.

There are three ways to get the books in balance. We can raise taxes. We can hope for growth in the economy. Or we can cut spending.

Raising taxes, I would suggest, is no longer an option. The Canadian people have revolted and said that they are taxed to the limit. Raising taxes at this point becomes counterproductive because it fuels the underground economy that is there and is growing.

We can hope for growth in the economy, but we do not control that. That has been the problem for the last 25 years. We projected growth in the economy and at the end of the year it was said: "Oh gee, it is too bad it was not there. We are deeper in debt". We do not control that.

The one thing we do control, the one thing we can do to get our books in balance is to cut spending. We have absolute control there and it is where we should be targeting our efforts. This budget does not do that. It makes some scrapes when indeed it should be making cuts in spending.

We have had 20 years of raising taxes. Those 20 years of raising taxes have achieved the exact opposite. The deficit has grown and the debt has grown. There is absolutely no justification for any tax increase. It does exactly the opposite to what it is hoped to achieve. It is a job killer. It kills the economy.

• (1720)

That there can be no pain is not reality. When we have lived for so many years beyond our means, there has to be some pain. We cannot escape that. The Canadian people understand and are ready for that. The problem is many in this place do not understand that but the Canadian people are ready for it.

We just have to look at the results of the surveys done since the budget came out. The Canadian people supported the move the government made but said they were looking for more. Those same surveys said there should be more cuts and those cuts should be made now because time is running out. We do not have unlimited time.

The tough action we have been taking on the east coast with the fishing problem is interesting. Overfishing is just like overspending. Fish are limited and dollars are limited. There is a bottom to the barrel. We are getting tough on fishing but we have not yet got the message on spending. We still think we can keep on spending. We can kill an industry or we can kill a country. We can kill an industry by overfishing; we can kill a country by overspending.

Moody's fired a shot across our bow and we missed the message. It fired a shot across our bow just as we did to that Spanish fishing vessel. The message Moody's shot across our

bow was that 3 per cent of GDP is too low a target and there is no plan to get to zero. The budget has failed on both counts.

For anybody on the other side to assume that the markets have bought this budget, the verdict is not yet in. Moody's has not changed its position. The verdict is still pending on whether the budget was successful in convincing the money markets that Canada is a good place to invest.

We shoot the messenger who is giving us good advice: "You are in trouble. Get your books in balance or we are not going to buy your bonds". As I say, we are still waiting for the background on that.

There was nothing in this budget for small business. My background is in small business. That 1.5 cent increase in gasoline tax is to raise $500 million a year.

In my riding a number of people commute to Toronto. They will have $250 per year in additional costs just to drive to their business. It is also going to increase the cost of doing business for example for those who use gas in delivery services.

It is going to take about $3 million out of the economy of my riding. There goes the new stove, the education and the new car. It really was not necessary and it is not productive to creating the employment we need. There was no justification for any tax increase.

We are indeed living in the greatest country in the world, but we are doing it on borrowed dollars and time is running out.

I see we are making an attempt to get Canadians to invest in Canada by buying bonds and keeping the money in Canada. The answer to getting Canadians to invest in this country is for the government to show some responsibility that it understands the magnitude of the problem and it is going to cut its spending. Canadians will then stop sending their money out of the country and will spend and invest it right here.

Canada is in a battle for its survival, make no mistake about it. I visited Dieppe just a year ago. It was a very moving experience to see the men who had the courage to go over there and give their lives. I am suggesting that it is going to take courage right now to tackle the very serious problem of overspending.

I hear words about compassion, generosity and fairness. What about responsibility, accountability and fairness to the taxpayers who have been carrying the burden all these years? The Canadian taxpayers are demanding some responsibility, accountability and fairness. We owe it to them and we owe it to future generations.

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I found it interesting that the member would spend so much time during his speech defending the Brian Mulroney government saying that somehow the Liberal Party frustrated the prior government for nine years. He is nodding his head now, but I should remind him that the government of Brian Mulroney, which was turfed out, had a majority in both terms and had full control of its actions. We cannot pass on that blame. The member is just making rhetoric. In fact the prior Conservative government got exactly what it deserved.

• (1725)

I listened with interest to the medical analogy the member used when he talked about cuts, that we have only had scrapes and not deep cuts. The member tried to somehow imply there was a tax increase in this budget when he well knows there were $7 of cuts for every $1 of increased revenue and there were no increases in personal income tax. It was pure fabrication.

I want to ask the member a question with regard to his strategy and the response that his own leader gave to this House. His leader stood in this House and attacked the government for cuts to social programs. Yet this member is saying that we should have more cuts than what has been proposed by our government. How does this member square his position with the position of his own leader?

Mr. Harper (Simcoe Centre): Mr. Speaker, I am very pleased to respond to the questions from the hon. member.

I will deal first with the fact that the Liberals spent eight years in opposition and they could not do anything about the fact that the debt and deficit were increasing. I suggest to the member that they did nothing but encourage the deficit and debt to increase. They did not understand the magnitude of the problem then; they do not understand the magnitude of the problem now. Nothing has changed.

The Conservative government was turfed out for not listening. I would suggest that three years down the road this government will be turfed out because it is still not listening to the Canadian people.

Cuts of $7 for every $1 in increased revenue. There is no justification for any revenue increase. There is more than enough to balance the books in cuts. When there has been overspending for 20 years we cannot keep saying that we need more dollars, but a strong case can be made for saying: "Yes, we have been going into your pockets deeper and deeper; we are going to start pulling back now". Now is the time. If the Liberals have missed that message, they will go the same way the Conservatives did in just a few years.

My leader has never said that social programs should not be touched. The books cannot be balanced without touching the social programs. That is the reality of the amount of money we spend in that area. The word is that they have been responsible for the problem. They have not been responsible for the problem. However, there have to be cuts in there. The books absolutely cannot be balanced without doing it.

The Budget

Mr. Dan McTeague (Ontario, Lib.): Mr. Speaker, my hon. colleague for Simcoe Centre made reference to the famous tax rallies which took place across the country. He will know the most notable one took place in my riding of Ontario. An estimated 3,500 people came out to protest against any notion of tax increases.

Of the 3,500 people who attended that meeting not one has called to tell me this was a bad budget. We have had over 50 calls telling us it is a budget that hit the mark and that the government has definitely listened to the voices of Canadians.

What was interesting about that evening was that it crystallized what these tax alerts were really all about. They were fronts for the Reform Party. That is very clear in the presentation I made a couple of weeks ago.

It is more interesting that one of my hon. colleague's cohorts by the name of Diane Francis in her paper *The Financial Post* on the same day that tax rally took place mentioned Morgan Trust, a famous bank. It does a lot of business in Canada, and has made some $9.5 million in profits at the expense of the Canadian economy and has only paid 3 per cent in effective taxes.

The hon. member says we do not need any new taxes in this country. He applauds the tax alerts that have taken place. But surely to goodness he is not saying that some people should be indulging themselves while advocating austerity for the others as the banks have done.

Mr. Harper (Simcoe Centre): Mr. Speaker, the hon. member is talking about tax fairness. I did not get into the question of tax fairness. I will agree with him that the current tax system is unfair and we have to address that.

I do come back to my point that we have a spending problem, not a revenue problem. The government can go after the loopholes and tax the rich but it will not come close to balancing the books. What will balance the books is to get our spending under control right now. That is something we have full control over. We need to do it right away. We cannot afford to delay.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, we are debating the budgetary policy put forward by this government that permits it to borrow more money using the fragile future of our country as collateral.

• (1730)

The Reform Party appreciates the grave financial situation in which we find ourselves. In fact, it has been our dogged determination to address the issue of government accountability in the areas of spending and taxation that have dictated the course of the government's fiscal agenda.

The Liberal budget took a very tentative first step in the direction of deficit reduction, but it did not go nearly far enough. Overall spending increased. Taxes increased. It failed to make the necessary changes to Canadian social programs. It failed to identify which programs are essential and which are not. It failed to explain where and how Canadians will find jobs. The Liberal budget did not lead by example. Cuts come from the bottom up it appears. Canadians are asked to tighten their belts while the Liberal fat–pack have secured their gold–plated pensions.

There has been much talk about Liberal red book promises. Let us focus on some of the promises that are made in the budget.

The Liberals are promising to borrow $29.8 billion this year because they cannot balance the budget. The Liberals are promising to add over $100 billion to the national debt in the next three years. This will drive the federal debt load well beyond $650 billion by fiscal 1997. This Liberal promise will jeopardize the long term viability of social programs.

The Minister of Human Resources Development had a tremendous opportunity to make a positive contribution to changes in the delivery of social programs. Instead he dropped the ball and in fact has dropped out. What the Liberals are offering now is a block transfer of funds to the provinces. This Liberal approach simply downloads the federal debt, penalizing the provinces, especially provinces like mine, Alberta, which is working aggressively toward a balanced budget.

The Liberals promised to increase funding to special interest groups. To pick one example, the status of women, after we factor in the new grants transferred from HRD, it still has an increase in its operating budget of approximately 20 per cent. How can this be justified when funding to provinces for health care and education has been reduced? Canadians will not tolerate such foolish inequity.

The government has not been entirely open about its plans for balancing the budget. I am going to use the example of the Canadian heritage ministry to illustrate a wilful lack of disclosure regarding budget matters. If such dismal performance exists in one department, in one ministry, does it exist in others?

The Minister of Canadian Heritage had plans for the future of the CBC which he did not include in the budget, but which he did provide to the president of the CBC. Let us look at the Liberals' promises regarding the CBC. On February 3, 1994 in a letter from the minister to Mr. Manera, the minister wrote:

> The government considers that stable multi–year funding for the CBC is the most effective way of enabling the CBC to return to a healthy financial position. I am therefore pleased to confirm that the government is prepared to commit itself to a plan and to affirm that it does not intend to impose new reductions on the CBC over the next five years.

However, in the budget the minister announced cuts of $44 million to the CBC. It now appears that the minister plans to cut of over $350 million to the CBC. When I asked him a question about the plan in the House he denied the plan, suggesting that my allegations were pure invention and that Mr. Manera, who had subsequently resigned, had done so for personal reasons and that no more cuts were planned. It sounded like an incredible soap opera to me. That night, in an interview, Mr. Manera stated that he had resigned because of future cuts to the CBC and not for personal reasons. Only one of the two men could be telling the truth.

The next day in the House I presented to the minister a copy of the secret document, which the minister's officials had given to Mr. Manera, which outlined three years of cuts to the CBC. This is how the minister interprets honest and open government. First, he purposely withheld this information from the budget figures. Second, he denied the document and the accompanying cuts even existed. Third, he now admits the document exists but that it means nothing and that the president of the CBC is misguided.

This kind of pathetic performance eats away at the integrity of government. Canadians want to know how their money is being spent and that it is being spent wisely, based on a responsible plan for future spending. The Minister of Canadian Heritage has a different story every time he is asked a question. How can anyone take him seriously, especially organizations within the cultural community? His performance has left the CBC rudderless, without a chairman, without a president, at a time when it needs leadership the most, at a time when it needs to make the transition to the private sector.

• (1735)

Further, last year the CBC was given a special borrowing authority for $25 million. It turns out that this borrowing authority is $25 million into perpetuity. Last year, at the end of the fiscal year the CBC proved it could not meet its budget and came back, cap in hand to Parliament, and as stated in the supplementary estimates it received another $3 million. The CBC is just one example of gross financial mismanagement in the minister's portfolio.

The finance minister alleged that the Liberal government met its financial targets last year. However that can only be Liberal math, for when we look at the Department of Canadian Heritage's supplementary estimates we see it is very much in the red, that none of the targets were met.

Let us look at some of the government organizations which ran over budget: the Department of Canadian Heritage corporate services program, $1.1 million over budget; the Canadian identity program, $1.4 million over budget; the parks program, $3.5 million over budget; Advisory Council on the Status of Women, which thankfully is gone, $76,000 over budget; the CBC, $3 million over budget; the Museum of Nature, $82,000 over budget; the National Archives, $561,000 over budget; the National Battlefields Commission, $125,000 over budget; the National Capital Commission, $12 million over budget; the National Gallery, $187,000 over budget; the Public Service Commission, $4.5 million over budget; and last, the Office of the Co–ordinator of the Status of Women, $162,000 over budget.

Thirteen organizations under the control of the Canadian heritage ministry went over budget. Canadians expect and deserve more from government. When will the minister finally take responsibility for the complete disarray and overspending of his department?

When governments continue to deficit finance they hurt Canada's future economic health. By failing to balance the budget, by failing even to announce when the budget will be balanced, the Liberals have shown they understand little about fiscal planning.

The Liberal Party continues its tradition of being borrowers of both money and ideas. The continuing failure to bring in a single, new, original thought begs the question of whether it will be able to lead Canada to economic stability within the current mandate.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I thank the member for Calgary Southeast for her remarks but she left me wondering. In the early part of her discourse she reported a 20 per cent increase to the status of women.

I do not know to what organization she refers. I would like very much if she could elaborate on that, what her information is, what details she has and what her sources are, if she would not mind.

Mrs. Brown (Calgary Southeast): Mr. Speaker, if the hon. member will refer to the estimates he will see that with the inclusion of the Department of Human Resources Development, moneys were brought over from that department. Approximately $20 million is within the ministry of the status of women and represents the increase that I suggested.

Further to this, now that we are on the whole approach of the change to the status of women, it represents a remarkable shift in the Liberal policy. We are seeing economic pragmatism overtake social liberalism, which is incredible.

It is a shift into a Conservative–Reform territory which one would have never anticipated. The Liberals left their liberal ideology and embraced certainly Conservative ideology. The Reform Party has influenced dramatically this approach. We saw it in the budget and we are now seeing it in the downsizing and restructuring of bureaucratic departments.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I want to ask the hon. member a question. She seemed to get off on a bit of a tangent thinking that all these government

departments had overspent. If they spend their budget, she thinks they have overspent. I recognize the trait.

• (1740)

However, sometimes there are reallocations of priorities in the way governments spend their money. That sometimes happens. In this case, I think the government considered what it might do and reallocated some priorities and spent more in some departments that it did in others.

Perhaps the member could answer a question about overspending. I believe her party ran into a lot of trouble with overspending. It was unable to organize its finances and I understand it is running a big deficit.

Does the member not think that the same rules that ought to apply to government ought to apply to a party? Does the member not think that the party ought to get its own finances in order before it criticizes the Government of Canada?

Mrs. Brown (Calgary Southeast): Mr. Speaker, that is such a trivial question, it is not even worthy of a response. We are certainly in control of our spending.

When we talk about reallocation of priorities, I am going to address that part of the hon. member's question. It is quite interesting that when we look at what happened in Alberta with the Public Utilities Income Tax Transfer Act. We are talking about reallocation of priorities all right.

I have a letter from a small business person in my riding. This individual wrote talking about Albertans being prepared to make that kind of sacrifice when it comes to helping with the deficit reduction process. But when we see companies and I quote: "such as ours that compete against companies based in other provinces on a national and an international basis, this change of the utilities tax has fundamentally altered the competitive landscape. Our cost of doing business, simply because we are located in Alberta, will go up as a result of this budgetary measure".

That message for the hon. member across the way speaks volumes to me about what the government intended to do with its reallocation of priorities with respect to Alberta.

* * *

BUSINESS OF THE HOUSE

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, in accordance with Standing Order 78(1), I wish to inform the House that there is an agreement among the representatives of all three officially recognized parties to the allocation of time to Bill C–74, an act respecting the supervision of longshoring and related operations at west coast ports, described in the following motion.

I therefore move:

That Bill C–74, an act respecting the supervision of longshoring and related operations at west coast ports, be disposed of at all stages during the present sitting as follows:

1. Debate at second reading shall be limited to no more than 80 minutes;

2. Upon being read a second time, the bill shall be referred to a committee of the whole, which shall report the bill after no more than 60 minutes' consideration;

3. Immediately upon being concurred in at the report stage, the said bill shall be considered at the third reading stage wherein debate shall be limited to no more than 40 minutes.

4. At the end of the time periods described in this Order, the Speaker or the Chair of the committee of the whole, as the case may be, shall interrupt debate and forthwith put all questions necessary to dispose of the stage then under consideration.

5. No recorded division may be deferred and, when any recorded division is requested, the bells shall be sounded for not more than 15 minutes.

The Deputy Speaker: As was indicated the motion is not debatable. Is it the pleasure of the House to adopt the motion?

• (1745)

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it. I declare the motion carried.

(Motion agreed to.)

* * *

THE BUDGET

FINANCIAL STATEMENT OF MINISTER OF FINANCE

The House resumed consideration of the motion that this House approves in general the budgetary policy of the government.

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, I will be sharing my time with the hon. member for Gatineau—La Lièvre.

Contrary to what we hear flowing back and forth across the floor, it is an honour for me to participate in the budget debate on behalf of my constituents in the riding of Hillsborough. I congratulate the Minister of Finance on such a finely crafted budget. In my years in this House and in my years in the house of

another jurisdiction I can honestly say that this is one of the best budgets I have witnessed.

The budget is about commitments made and commitments kept. During the election we campaigned on a platform of creating opportunity. We asked Canadians to put their trust in us and we put our trust in them to get things moving in the right direction.

We promised to create jobs for Canadians and we have. As has been talked about many times in the last number of weeks, in the past year over 400,000 jobs were created across the country. We promised stable inflation and we have the lowest inflation in the industrialized world. Our exports are at an all time high and the level of business confidence in the Canadian economy is at its highest point since 1979.

The budget moved us further down the road to even more opportunity in the future. As the Minister of Finance has stated, the budget breaks the back of the deficit. The government will reach its deficit target of 3 per cent of GDP by the end of the next fiscal year. Once we have reached that point the government will move to reduce the deficit even further. We will accomplish our goals without punishing the vulnerable.

Some people out there would say and have said that it is just a Tory budget tied up in red ribbons. Nothing could be further from the truth. We have gone about the budgeting process reasonably. Instead of across the board cuts as was the case with the previous government, we have examined every program and every activity of the federal government.

Yes, we can do more. The Minister of Finance chose a scalpel over a meat cleaver in making the cuts. In departments such as in the Department of Transport where the need for their services have declined, the minister has made larger cuts. The commercialization of airports will create new opportunities in my area for businesses to export their goods and promote better tourism marketing.

In the Department of Veterans Affairs the minister made considerably smaller cuts. I know that the Secretary of State for Veterans was keen in protecting services for veterans across the country. As a result few jobs will be lost at departmental headquarters in Charlottetown. This is also something the people of the riding of Hillsborough really appreciate.

Seasonal workers will be happy to know that there will be no changes to the unemployment insurance system. There have been no changes to eligibility criteria or the length of time one can collect benefits. The Minister of Human Resources Development will continue to examine the operation of the program, to streamline the operations, and to find better ways to help recipients of unemployment insurance.

The budget was also a fine example of sharing the burden of deficit control. For the second year in a row the government has refused to increase personal income taxes.

• (1750)

Most Canadians have realized for quite some time that wealthy Canadians enjoy special treatment come tax time. On budget day the Minister of Finance moved a long way toward stopping special treatment by eliminating exemptions for family trusts.

A couple of years ago the former government extended a tax holiday called the family trust exemption. Previously some of the wealthiest families in the country could hide their money away from the tax person by saying it was for their children and grandchildren. Because these family trusts have been exempted for so long it is difficult to estimate how much money is involved. Estimates have ranged from hundreds of millions to a couple of billion dollars that the tax people cannot reach. This special privilege was unacceptable and I am glad to see it gone.

The Minister of Finance placed a special tax on banks that had record profits in the last year. As well the government will be leaning on banks to make sure more capital is available to small and medium size businesses. The government will hold banks accountable on their performance in helping the Canadian economy grow and provide more jobs.

In the budget there is an increase in the taxes on large corporations. This was done because we realized that ordinary taxpayers were already paying their fair share. The budget spreads the burden more evenly.

The government has taken the position that we cannot do it all. Nor should we. It is the job of government to ensure that there is a level playing field for all Canadians to prosper. It is not the duty of government to run businesses the private sector can run better. That is why we are selling, for instance, our remaining shares in Petro–Canada and selling Canadian National Railway. On the list being examined for sale is the Canada Communications Group that has come under fire from small businesses across the country.

In the future we will be looking not only at what government does but why government does it. If we cannot find a legitimate answer then we should stop it. This is about more than smaller government even though government will be smaller. It is also about smarter government.

We must remember the Liberals created Canada's social programs and safety net. While we will be funding those programs in different ways we will insist that certain national standards apply. All aspects of the Canada Health Act will continue to be enforced, especially universality and accessibility. Of that there can be no doubt in the minds of Canadians.

We are well on our way to both fiscal sanity and healthy government. The naysayers and the special interest groups will try to convince Canadians that we have cut too much. Other people will say that we have not cut enough and that we should sacrifice our social programs in the interest of deficit elimination. Neither opinion reflects the needs and the desires of Canadians. The budget is about fairness, balance and a sense of the future.

As I said earlier, there is more we can do. I have mentioned this at different meetings with the Minister of Finance. There are more ways to find waste and other excesses in government. Every stone must be turned to find waste. Public servants out there are willing to talk about it and to tell us but they must be protected.

As Liberals we will continue on our course of creating opportunity for Canadians.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, as I was listening to the member I could not help thinking the Liberal side of the House must have a special fund set aside for psychiatric help. I have never heard so much talk about how they proudly built the programs and now they are equally proud to dismantle them. I just do not know how they can say that.

I would like the member to address several dilemmas that must go through the Liberal mind. I would not want to call them broken promises. How does he reconcile that the budget broke the workforce adjustment directive when a couple of months before they promised they would not break it?

• (1755)

How can he justify that when the government came into power it said that it would not sign the GATT without a strengthened article 11(2)(c) and then it signed it anyway? The government was not going to sign the NAFTA but it signed it immediately coming into power. The government promised to eliminate the GST but that has not been possible. The government said that it would reform the pension plan of MPs but it just does not have the guts to do it.

Furthermore, things are coming down the road that Canadians know about. The Prime Minister muses that perhaps a 1 per cent or 2 per cent of GDP drop in health care funding is inevitable. That will amount to $10 billion or $15 billion. That is inevitable.

The member proudly said that there were no changes in UI. Yet the minister in charge of that program travelled the country for six months to try to find ways to change it. The member is proud to say that it has not changed. It has to change.

The last question I would like to ask the hon. member is: With respect to the pension plan of MPs, will he opt out or not?

Mr. Proud: Mr. Speaker, to the last question first, my answer is definitely not. I will not opt out. I am not ashamed of the pension plan. We changed the pension plan as we said we would do. We even went further than that. I will defend our pension plan and salary as MPs anywhere in Canada. I am not afraid to do that.

As far as justifying the workforce adjustment directive, the government negotiated with the unions and 15 of the 16 unions agreed to it. It came to a point where it had to be done and we took the attitude that we would do it. We did it and we are going to look after it in the most humane way possible.

We built the social programs and we are not dismantling them. I have said it over and over again. The Prime Minister has said that the costs of health care can be cut. That is what I said in my speech. We have to do things smarter and we will do it. We built the social programs; we will maintain the social programs. The social programs will be as good in 10 years time as they were 10 years ago as long as we form the government.

I have no qualms about any of the questions the hon. member asked. We have lived up to our commitments. Commitments were made and commitments were kept and we will continue to do so.

I have no problem in defending unemployment insurance. Not one change has occurred to the unemployment insurance system as yet. That is what I said. Nothing has changed. Some changes will be made. The minister has travelled the country.

In my speech I was talking about seasonal workers. Seasonal workers are not the problem; it is seasonal work. When we reach the point where such people can work 12 months of the year we will not need unemployment insurance for them. Until that happens, with them in agriculture, fishery and tourism we need to have some kind of compensation for them. I will be the one to make sure, to the best of my ability, that it remains for them.

[*Translation*]

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): Mr. Speaker, in tabling the budget, our Minister of Finance has certainly shown a great deal of courage; it is definitely a first step towards the sound management of public funds.

To have a good understanding of the current economic climate and take effective action, we must, first, identify the economic changes experienced in the last 20 years and, second, have a clear vision of the goals to be achieved and the concrete ways to achieve them.

We are, of course, facing major economic changes. They have brought hardships and restrictions to all our fellow citizens. Their impact on disadvantaged groups is even stronger. Salaries

have gone down. Jobs are getting scarcer and less stable. Access to social programs is increasingly restricted.

In the next few minutes, I will review the changes and propose goals and ways to reconcile economic and human considerations.

• (1800)

Successful reconciliation of these considerations depends on our ability to strike a healthy balance between competition and individual achievement, on the one hand, and sharing and co–operation, on the other hand.

In the last 20 years, our economy has been shaken by three major changes: the global economic slowdown which started in 1973; two major anti–inflationary recessions in 1981 and 1990; and, in the last decade, the economic system's gradual rejection of people with little education.

Before 1973, our average standard of living rose by 40 per cent every decade. All classes of society were reaping the fruits of this growth. Since then, the rate of economic development has barely exceeded 15 per cent per decade. Several groups, including less qualified workers, have even seen their standard of living drop in absolute terms. This long term economic slowdown is common to all industrialized countries.

In the wake of the great depression and the second world war, all countries enjoyed enormous catch–up growth potential based on delayed technological development, cheap natural resources and an agricultural workforce ready to move to the cities. It took us a quarter of a century to use up this potential. Since then, all countries from Finland to Canada and from Italy to Australia have been having a hard time. Nothing is easy any more.

We managed for a while to circumvent the new economic constraints. The declining birthrate, the generalization of female labour, the high prices obtained from the sale of our natural resources until 1981, the debt increase in the 1980s allowed us to constantly defer until later the painful adjustment in our material expectations. The strong decline in consumption during the current recession underlines our belated awareness that money no longer grows on trees. Members of the middle class have finally started to tighten their belts.

But people are very nervous. Economic stagnation has resulted in both an increase in the need for social protection and a narrowing of the tax base financing our social safety net. Governments have managed to partly resolve this contradiction by raising taxes, which fuels the anger of taxpayers, already aroused by the state of the economy. This situation threatens our income security system, which is already starting to erode. Sharing does not come as easily when there is no growth.

Most industrialized countries started off the 1980s with an inflation rate of 12 per cent and were blamed for it. At the instigation of central banks, governments then subjected their economies to two anti–inflationary recessions. In 1981, Canada suffered the most severe recession in the industrialized world and inflation was brought down from 12 per cent to five per cent. Later on, starting in 1988, the Government of Canada and the Bank of Canada undertook to finish the job and force the rate of inflation further down, from five to two per cent. This target was just met in 1992.

• (1805)

Once again, Canada stood out because, once again, it put itself through the worst recession in the industrialized world.

These two recessions have led to a massive underutilization of our human and material resources in the past few decades. The resulting loss of income for Quebec is already to the tune of $100 billion. Obviously, this loss is on top of the general economic slowdown I mentioned earlier.

The $100 billion swallowed up by the two recessions represents an astronomical and senseless waste. It is cruel, considering the hardship and countless psychological, family and social problems it caused. It is also fundamentally unfair. In addition, this loss of $100 billion so far is not distributed equally amongst all people. Small businesses and low income earners are being hit absolutely disproportionately. Yet, they are not responsible, in the first place for causing the inflation we are now trying to curb.

Nowhere is growing chronic unemployment more obvious than among workers of all ages who did not finish high school. For the past decade, people in this category have slowly been sinking deeper and deeper. They are offered less and less money for jobs that are fewer and fewer and increasingly unstable; the rate of unemployment is increasingly higher than average. They have started to leave the labour force massively, generally ending up on the CSST or welfare rolls.

One third of Quebecers between the ages of 20 and 64, three times as many as in Germany or Japan, do not have a high school diploma. Barely one third of them have jobs. They are in a desperate situation. Compared to this group, the Gaspesian Peninsula is a real employment paradise. School may get you nowhere, as the saying has it, but it sure seems that ignorance does not get you much further.

Workers with little education were affected by the long term economic slowdown, like everyone else, and by the 1981 and 1990 recessions, which have hit very hard, but they also seem to be gradually pushed aside.

We have in Canada great economists and great minds. In Quebec, we have an economist of nationwide and even worldwide reputation. I have had the pleasure of meeting him on a

number of occasions and hearing him testify here, before the finance committee. I am referring to Pierre Fortin, from the Université du Québec in Montreal.

Mr. Fortin has shown a great deal of common sense in his approach to the economic situation. He came up with a three–part social and economic program. That is, first, given the vulnerability of people who never graduated from high school on the job market, he said that we need to create jobs as quickly as possible mostly for their benefit, second, to protect what has already been acquired, and third, to undertake a second educational revolution.

I will now comment briefly on these points. It is very clear that large scale job creation will obviously reduce the amounts paid out in unemployment insurance benefits, social assistance and other benefits. It is also very clear that, by creating jobs, the federal government will generate more revenue for deficit reduction.

Mr. Fortin does not suggest that the government increase spending but rather that it exert pressure to maintain our interest rates under or around the five per cent mark or thereabouts, like our American neighbours.

• (1810)

If interest rates were at five per cent, many small and medium size businesses would have access to the funds needed to create enough jobs to put all of the unemployed back to work. I think that makes eminent sense.

Secondly, we clearly do not want to be irresponsible and to spark another increase in inflation. On the contrary, job creation and increased profits will hedge against the likelihood of inflation becoming a problem. The danger of inflation flaring up over the next three to four months is very minimal.

Thirdly, we must undertake a second educational revolution. Obviously, people between the ages of 20 and 64 who do not have a high school diploma need vocational training. We are not talking about university diplomas, we are talking about training spread over one or two years. That essentially is my conclusion.

I would like to say to my colleagues that there are some good ideas out there and that it is high time that we in the House of Commons take heed of them.

Mr. Yvan Bernier (Gaspé, BQ): Mr. Speaker, I listened to the member for Gatineau—La Lièvre. He made a nice speech, but forgot to mention that the Liberals were in office for a long time and that the deficit started growing back then.

I am somewhat sceptical when I hear that restoring confidence in the economy will result in the money markets lowering interest rates which, in turn, will stimulate job creation. I am from the Gaspé Peninsula and I can tell you that fringe areas need catalysts. Unfortunately, that budget does not include any job creating initiatives. There is no catalyst to help people improve their lot.

The government's proposed approach, which is to let the private sector act freely, presupposes that it expects the private sector to create jobs for people with low levels of education. However, these jobs will not be well–paid. I would like to know how the regions will be mobilized. All the nice rhetoric heard in this House is fine, but the regions expect positive measures and guidelines. Instead of that, the government is cutting the financial support available through the Federal Office of Regional Development. Where is the support? Instead of providing support, the government is withdrawing it.

Mr. Assad: Mr. Speaker, I will first answer the hon. member's second question. I said, as did Mr. Fortin to the Standing Committee on Finance, that we have to exert pressure to lower interest rates.

Increasing the deficit will not solve the problem: it will only postpone it and make it worse. We have to find a way to lower interest rates, so that small and medium size businesses can get the money they need to expand. Let us not forget that there is a production capacity in our country.

The hon. member mentioned that the deficit started under the Liberals. That is true. However, when the Liberals left in 1984, the deficit stood at $160 billion, whereas when they came back last year, it had grown to $460 billion. Between 1984 and 1994, the deficit grew by 250 per cent, in spite of unprecedented levels of revenues.

[*English*]

The Deputy Speaker: It being 6.15 p.m., pursuant to Standing Order 84(6), it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of Ways and Means Motion No. 20.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

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

(*Division No. 167*)

YEAS

Members

Adams
Anawak
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Bellemare
Bethel
Bhaduria
Bonin
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Catterall
Chamberlain
Cohen
Copps
Crawford
DeVillers
Discepola
Duhamel
Easter
English
Finlay
Fontana
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Graham
Grose
Harb
Hickey
Ianno
Irwin
Jordan
Knutson
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manley
Marleau
Massé
McGuire
McTeague
Milliken
Minna
Murphy
Nault
O'Brien
Ouellet
Paradis
Payne
Peters
Phinney
Proud
Regan
Ringuette-Maltais
Rock
Scott (Fredericton—York—Sunbury)
Simmons
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Torsney
Valeri
Walker
Wells
Young

Alcock
Anderson
Assad
Augustine
Baker
Beaumier
Bertrand
Bevilacqua
Blondin-Andrew
Boudria
Brushett
Bélair
Calder
Cannis
Cauchon
Clancy
Collenette
Cowling
Culbert
Dingwall
Dromisky
Dupuy
Eggleton
Fewchuk
Flis
Gagliano
Gerrard
Gray (Windsor West)
Guarnieri
Harper (Churchill)
Hopkins
Iftody
Jackson
Karygiannis
Kraft Sloan
Lavigne (Verdun—Saint-Paul)
Lee
Loney
MacDonald
Maheu
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
Nunziata
O'Reilly
Pagtakhan
Parrish
Peric
Peterson
Pickard (Essex—Kent)
Reed
Richardson
Robillard
Rompkey
Shepherd
Skoke
Steckle
Stewart (Northumberland)
Telegdi
Tobin
Ur
Volpe
Wappel
Whelan
Zed—142

NAYS

Members

Abbott
Asselin
Bachand
Benoit
Blaikie
Bridgman
Bélisle
Caron
Chrétien (Frontenac)
Cummins
Debien
Deshaies
Dumas
Fillion
Frazer
Gauthier (Roberval)
Godin
Guay
Harper (Calgary West)
Harris
Hermanson
Hill (Prince George—Peace River)
Jacob
Johnston
Langlois
Lavigne (Beauharnois—Salaberry)
Lefebvre
Loubier
Mayfield
Meredith
Ménard
Plamondon
Ramsay
Ringma
Schmidt
Silye
Solomon
St-Laurent
Taylor
Tremblay (Rosemont)
White (Fraser Valley West)—81

Ablonczy
Axworthy (Saskatoon—Clark's Crossing)
Bellehumeur
Bernier (Gaspé)
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Canuel
Chatters
Crête
Dalphond-Guiral
de Jong
Duceppe
Epp
Forseth
Gagnon (Québec)
Gilmour
Grubel
Hanger
Harper (Simcoe Centre)
Hayes
Hill (Macleod)
Hoeppner
Jennings
Kerpan
Laurin
Lebel
Leroux (Shefford)
Marchand
McClelland (Edmonton Southwest)
Morrison
Picard (Drummond)
Pomerleau
Riis
Robinson
Scott (Skeena)
Solberg
Speaker
Strahl
Thompson
Venne

PAIRED MEMBERS

Barnes
Bernier (Mégantic—Compton—Stanstead)
Brien
Comuzzi
Gaffney
Guimond
Hubbard
Lalonde
Leblanc (Longueuil)
MacLaren
Mercier
Paré
Rideout
Rocheleau

Bergeron
Bouchard
Chan
Daviault
Godfrey
Harvard
Keyes
Landry
Leroux (Richmond—Wolfe)
McWhinney
Nunez
Patry
Robichaud
Terrana

● (1845)

The Deputy Speaker: I declare the the motion adopted.

Mr. Milliken: Mr. Speaker, I think you would would find unanimous consent to deal with item No. 25 under Ways and Means Proceedings on today's Order Paper.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

* * *

WAYS AND MEANS

MOTION FOR CONCURRENCE

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development –Quebec, Lib.) moved that a Ways and Means motion relating to certain measures announced in the February 1995 budget, laid upon the table on Tuesday, March 14, be concurred in.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: I declare the motion agreed to on division.

(Motion agreed to.)

* * *

[*Translation*]

WEST COAST PORTS OPERATIONS ACT, 1995

Hon. Lucienne Robillard (Minister of Labour, Lib.) moved that Bill C–74, an act respecting the supervision of longshoring and related operations at west coast ports, be read the second time and, pursuant to order adopted earlier this day, referred to committee of the whole.

She said: Mr. Speaker, I rise in the House today to introduce the West Coast Ports Operations Act, 1995, which provides for the supervision of longshoring and related operations at ports on the west coast of Canada. The labour dispute that led to the tabling of this bill is between the Waterfront Foremen Employers' Association and local 514 of the ship and dock foremen of the International Longshoremen's and Warehousemen's Union.

The association has a membership of 16 companies that employ members of the union in longshoring operations in British Columbia. The union has about 500 members and represents all unionized foremen employed in freight handling operations in British Columbia. The collective agreement between the parties expired on December 31, 1992, and the labour dispute was caused by the inability of the parties to renew the agreement.

After direct talks between the parties broke off, a conciliator from the Federal Mediation and Conciliation Service was appointed on August 5, 1993 to help the parties settle their differences. The conciliator met the parties during the period from September 1993 to March 1994, and as a result the parties resumed negotiations in March. Conciliation sessions started again in April 1994 and went on until August last year. On October 18, 1994, the parties were informed of the appointment of Mark Thompson as conciliation commissioner in this labour dispute.

On February 10, 1995, after a series of meetings which took place over a period of four months, the conciliation commissioner transmitted his report to the parties. The employer indicated that, on the whole, he agreed with what the report contained. The union, however, rejected the report as a basis for a settlement. Following a meeting of both parties on March 10, union members went on strike on March 13. However, they indicated they were willing to allow the loading of grain shipments. The work stoppage occurred after the employer informed the union that it intended to impose the recommendations contained in the conciliation commissioner's report as of March 20, 1995.

• (1850)

Following the walk–out by the union members, the employer imposed a lock–out in all ports on the west coast, at 1 a.m. on March 15, thus halting the movement of all goods, including grain.

This report contains specific recommendations forming a solid base for settling these negotiations, but it also sheds light on the problem colouring labour–management relations in the port of Vancouver for years.

In his report, Mr. Thompson indicates that repeated intervention by senior government officials in labour disputes in the port of Vancouver have made the parties less interested in reaching an agreement on their own. The commissioner also points out that since Parliament has not allowed work stoppages in the port of Vancouver to continue for more than a few days, the parties are tempted to hold off any agreement until an act is passed or some other form of intervention taken. Unfortunately, this is also what is happening in the present dispute.

For years, the port of Vancouver has been dealing with disputes involving various occupational groups, including longshoremen, foremen, grain handlers and other workers. And all of us in this House know we have had to intervene. Unfortunately, I see the current situation requiring exactly the same type of measure.

This subject would not have been my choice for my maiden speech in the House of Commons, but I have never backed away from problems, and I am not going to start now. My colleagues on both sides of the House are well aware that grain traffic is moving faster than ever before in the ports of Vancouver and Prince Rupert. I congratulate the Minister of Agriculture and the Minister of Transport on developing and implementing changes that have significantly improved the efficiency of the grain transportation network in the west.

In the first half of the current crop year, that is, from August 1994 to January 1995, grain exports through west coast ports increased by 45.6 per cent. Any prolonged work stoppage now could have a disastrous effect on the agricultural economy of the west, at a time when grain elevators are operating at full capacity. Given the intense competition Canadian grain producers face in international markets and the pressing need to maintain Canada's reputation with its major trading partners, it is essential that this bill be passed.

Although I have primarily spoken about the movement of grain in west coast ports, my colleagues know very well that Vancouver is an important international port that receives a wide variety of bulk and containerized cargo, whose transportation depends on the presence of a stable and efficient workforce in the port. The rapid passage of the bill I have tabled is necessary to maintain the viability of this activity.

As I have already said, the parties have already had the benefit in their negotiations of all the assistance possible from impartial third parties, measures which led to the report by the conciliation commissioner, Mr. Thompson.

In his report, the commissioner indicated that "there is a climate of hostility between the parties, at least as far as the Association and the Union are concerned". He even added that "the members of the Association believe that the Union is refusing to adapt to the evolution of economic conditions in the industry, while the Union, for its part, is of the opinion that the employer is attempting to weaken its position in the collective agreement, particularly with respect to job opportunities".

Mr. Thompson summarized the situation as follows: "There is nothing to indicate that the parties wish or are capable of working together creatively to resolve their problems". Even though he has presented a rather sombre picture of negotiations to date, I should add that the conciliation commissioner pointed out that the parties demonstrated excellent co–operation in their dealings with him, and I take this opportunity to congratulate him on his detailed and thorough report on this situation.

• (1855)

In his report, the commissioner made specific recommendations on all matters remaining in dispute, and as hon. members can see, I have no hesitation in using these recommendations to establish the dispute settlement mechanism described in the bill before the House today.

Many points on which the parties agreed in the course of the negotiations were directly inspired by the existing collective agreement between the parties for persons employed in longshoring on the west coast. The conciliation commissioner made his recommendations so as to guarantee that the port of Vancouver remains competitive with other ports on the Pacific coast and with types of transportation elsewhere on the continent. He also avoided any major changes in the structure of the collective agreement which he found was, on the whole, satisfactory.

In his comments, the commissioner indicated that both parties would probably receive the report with mixed feelings but felt that it offered a firm basis for a settlement. It was this conviction which inspired the bill before the House today.

The West Coast Ports Operations Act, 1995, provides for the immediate resumption of supervision of longshoring and related operations at ports on the west coast of Canada and for the appointment of a mediator–arbitrator to resolve matters remaining in dispute between the parties. As soon as this act comes into force, the employers will be required to continue or immediately resume, as the case may be, supervision of longshoring and related operations at all ports; employees will be obliged to continue or immediately resume, as the case may be, their employment when requested to do so. The term of the collective agreement is extended to include the period beginning on January 1, 1993 and ending on the date fixed by the mediator–arbitrator, which may not be earlier than December 31, 1996. The act provides that as soon as he is appointed, the mediator–arbitrator shall endeavour to mediate the matters remaining in dispute and to bring about agreement between the parties on those matters.

If he is unable to bring about agreement on a matter, the mediator–arbitrator will hear the parties on the matter and arbitrate the matter after taking cognizance of the report of the conciliation commissioner. All costs incurred in the appointment of the mediator–arbitrator and the exercise of his duties shall be paid equally by the parties. In addition, a series of fines is provided for, should the parties contravene the provisions of the act.

Finally, this act shall come into force on the expiration of the twelfth hour after the royal sanction, which will allow the parties enough time to bring employees back to work and give sufficient time for the resumption of the employer's operations.

The passing of this act will permit the resolution of the present dispute, but, in my opinion, we must find long term solutions to the problems that have been the source of labour disputes in Canadian ports for years. My colleagues are aware that an in–depth review of Part I of the Canada Labour Code is currently underway under the authority of the assistant deputy minister of the Department of Human Resources Development.

However, in the case of the present labour dispute, this is the second time in a little over a year that Parliament has had to intervene in a dispute involving the west coast ports. This would seem to indicate that there is a basic problem in the structure of collective bargaining in B.C. ports.

• (1900)

For this reason, I intend to strike a board of inquiry on labour relations, whose mandate will be to report on the ways that parties involved in handling cargo in ports can avoid closing down ports in the future when they are in the process of resolving their labour conflicts, because closure compromises our competitiveness on the world market and our reputation as a trustworthy exporter, and forces Parliament to take rapid action.

Mr. Speaker, clearly, we must avoid a repeat of this situation in the years to come. And I have told my colleagues that I am personally committed to finding a long–term solution to these labour–relation problems which have become endemic to west coast ports. That is why I would like to ask the members of this House to support the bill before us—to ensure that we will be able to move goods destined for export markets through west coast ports in the near future as we did before.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, the official opposition agreed to today's emergency debate on this labour relations problem on the West Coast.

However, we still have questions and—in light of the government's proposals—we will oppose the bill as drafted. We will propose a number of amendments in committee of the whole and if these amendments are approved by the government, we would then vote in favour of the bill.

We have questions because this bill comes after a general strike was called at midnight last night. So a special bill was introduced less than 15 hours after the strike started. Logically, this amounts to calling into question the right to strike. Let us say so clearly. How can we talk about the right to strike when special back–to–work legislation is introduced after 15 hours? In fact, the potential right to strike cannot be exercised if a special bill is tabled less than 24 hours after a strike is called.

Last year, it was the same problem at the same port but with a different group, the dockers. We then agreed that the thing to do was to launch a debate on the issue right away and put in place settlement mechanisms. In this regard, I commend the industrial inquiry commission initiative. However, last year, the Minister of Human Resources Development told us that, in actual fact, arbitration was futile, that we had to move on to the last offer mechanism—the last union proposal and the last offer from management.

This year, we are rediscovering the advantages of arbitration. I think that this shows a kind of inconsistency. Let me say clearly that I favour neither approach. Nonetheless, I fail to see how you could be against arbitration last year and, this year, consider arbitration to resolve the dispute at the very same place, the same port, with more or less the same players.

It seems to me that inasmuch as the right to strike is recognized, it is important to give both sides time to bargain not only before action is taken, but also while pressure is being exercised. Provided of course that negotiations can take place in acceptable and modern conditions.

This brings me to the whole issue of the anti–strikebreaking legislation. Such an act exists in Quebec. In fact, it was enacted as early as 1977 if I am not mistaken. Ontario and British Columbia have since followed suit. This means that 70 per cent of the people of Canada are governed by such legislation.

We are finding out that strikes tend to last much longer in areas under federal authority than in Quebec, Ontario and British Columbia, where anti–strikebreaking legislation is in force. I remember mail strikes. These were extremely violent strikes, but strikes are becoming much less violent in provinces with anti–strikebreaking legislation, and I think that the hon. minister is aware of this.

In Quebec, the CPQ has made no demands denouncing the anti–strikebreaking legislation in recent years.

• (1905)

It used to at first, but I think that based on the results, the benefits of such legislation, the council realized that it made for better labour relations, as negotiations were more meaningful in a way, disputes were fewer and more easily resolved, all because modern legislation was in place.

When I hear that action is urgently required, I agree. But, as I said earlier, we plan to move amendments in committee of the whole. I wonder why it is not considered equally urgent to act to put an end to the strike at Ogilvie Flour in Montreal. That stike has not been going on for 15 hours, but nearly a year. One year, and no anti–scab legislation. Yet, if there is a company which does not care about its workers, it is Ogilvie.

Let me give you some examples. The negotiations were conducted in English. The employer refused to negotiate in French in Quebec. This is illegal under the Quebec Labour Code. Indeed, since law 101 and the various related provisions were passed, negotiations must be conducted in French.

The employer, AND, a company whose board of directors includes former Prime Minister Brian Mulroney, refused to negotiate in French. How nice. So, no anti–scab legislation in the case of Ogilvie. Yet, it seems to me that there is some urgency to that conflict which, as I said, did not start 15 hours

ago, but several months back. There is an urgency when profits or the economy are affected—and I agree that there are workers and farmers who are hurt by that strike—and we have to take action. However, when it comes to the economic well–being of workers, their families, their salaries and their health, there is no urgency. This looks like a double standard to me.

You may remember that the Bloc Quebecois tabled an anti–scab bill, back in 1990. The Liberals, who were then sitting on this side, supported that legislation. The Minister of Human Resources Development made passionate speeches, saying that the time had come to pass such legislation. Nothing has been done since. Yet, the government could have taken action, especially in light of the fact that the strike at Ogilvie's has been going on for more than 15 hours. But there is no urgency in that case.

However, —and I know that the federal Department of Labour is considering anti–scab legislation—documents from that department suggest that a majority vote of 60 per cent should apply. For the sake of democracy—and I know that a majority vote of 50 per cent plus one in the Quebec referendum is being challenged, but this is becoming a habit with the Liberals—when a strike vote is conducted under a collective agreement, it should also be subject to the 60 per cent rule. The same bill includes other provisions—even though we were told today that these were only ideas—but I wonder why these ideas are included in a departmental discussion paper.

That document was circulated so as to inform and consult both the employers and the unions, and that is fine. It obviously circulated, because we had it. So, in this document, the door is opened to having replacement workers who are not members of the bargaining unit on strike, but who could belong to a bargaining unit other than the one on strike but with the same company, or who could be non–unionized workers.

Seen one way, this is not anti–strikebreaker legislation, but rather legislation that, in fact, allows for strikebreakers. This is very different from legislation in Ontario, British Columbia or Quebec, which stipulates clearly that only managers, who were managers before the dispute began, may work. So, I hope that if indeed there is, at some point, an anti–strikebreaker bill here, that this notion of strikebreakers would not be made legal because management would be using people from the same company, but from another unit, or non–unionized workers as replacements for unionized workers.

This is nothing more than a legal façade to avoid facing reality. As the minister just told us she was ready to face reality, I imagine she will discover the subterfuge of certain of her deputy ministers, who are circulating documents, which do not in any way, shape or form, resolve the issue of the presence of strikebreakers. I think that anti–strikebreaking legislation would allow us to humanize our labour relations, a far cry from what is happening in certain American states, for example, where shots are fired during disputes, and also far removed from what once happened in Quebec and in other Canadian provinces.

• (1910)

I remember the Robin Hood strike, in 1977, or the postal workers' strike, where there was a lot of violence. At that time, scabs were even paid, with their hotel rooms and all, with federal funds. It was Canada Post that was paying their salaries, their food, and perhaps other things, I am not sure, but at least these things. And the Liberals, who were then in the official opposition, were denouncing that.

Since we are reviewing the Labour Code, I would also like to point this out. We are currently talking about a particular dispute, but it is part of a much greater issue. Hence the need to hold a commission of inquiry on labour relations practices in the port of Vancouver. But I know that this issue is only a part of a broader one which opens the door to a review of the code.

So, I hope that this will also open the door to giving Quebec female workers the same rights, whether they are under the federal code or the provincial code. I am alluding here to the preventative withdrawal of pregnant women. If you are a woman working in the communication or banking sector, depending on the federal system under which you work, you do not have the right to preventative withdrawal under the same conditions as a woman working in Quebec. When there were only eight members of the Bloc Quebecois in the House, we had proposed such an amendment and the Liberals had supported it. So, I hope that they will remember that when they review the code in its entirety.

When we talk about this strike in Vancouver, we must also consider that there are other strikes going on. There is one in the railways and also one in the port of Montreal. It would be interesting if, before we resort to a special legislation to force employees back to work in the port of Montreal, we would choose the mediation process and name a mediator who would bring parties together, since they are already close to a settlement. They are negotiating in Montreal, not any more seriously than in Vancouver, but I think the chances of settling the dispute are better there than in Vancouver.

I have participated in long negotiations and I know that it is often better not to go into a useless mediation right at the beginning of a conflict and do nothing afterwards. But when you are close to a settlement, when you can see that only a few elements still need to be ironed out, mediation can be a very important tool. I hope that, in the case of the port of Montreal, the minister will choose this solution and not a special legislation.

In conclusion, I would like to announce that we will be voting against this bill at the second reading stage, because we feel it does not really allow for negotiations between the parties. I personally think that we are dealing with this situation very seriously, all the more so since we are working with the commission, and therefore I think we should be able to go into mediation without arbitration. First we should proceed only through mediation and let the parties negotiate and the mediator

should not become an arbitrator. How can the parties trust anyone who will make suggestions if they know that, in case of disagreement between them, that person will turn the suggestions into obligations?

I think that instead of setting conditions, the mediator could report to the minister, who could in turn report to the Human Resources Committee—since there is no Labour Committee yet, but we will remedy that—or even to this House in order to discuss the issue with all members and parties concerned, rather than immediately determining the conditions after fifteen hours of strike, because that will be the case.

For those who are familiar with labour relations, it is the same thing as for tripartite tribunals. One union representative, one employer representative and a so–called neutral arbitrator. As we know, the decision is always two against one. The arbitrator takes sides. Expenses can be reduced by naming only one instead of three since the result of the vote is already known, even if we do not know at the outset which party the arbitrator will support.

Therefore, the Official opposition will vote against the bill at second reading and we will introduce a series of amendments in committee of the Whole House, hoping that the government will accept them and allow this House, as unanimously as possible, to encourage labour relations that are as fair, acceptable, normal and modern as possible in the port of Vancouver.

The Acting Speaker (Mrs. Maheu): The agreement was that there could be twenty minutes for comments. Is there unanimous consent?

We now resume the debate with the hon. member for Kamouraska—Rivière–du–Loup.

• (1915)

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Madam Speaker, I have been a member of this House for 15 or 16 months now, and I would not have thought that we would have to pass two special pieces of legislation for the same port in such a short time. In little over a year, this is the second time we see that there is something wrong in this work environment.

If I remember correctly, last year the minister in charge, the Minister of Human Resources Development, possibly because of the scope of his duties or maybe because known facts were not taken into account, did not follow up on that special legislation and, now, we have to pass back to work legislation for another group of workers.

Not only did we not learn anything from last year's experience, but we do not seem to be learning very much from the present situation either. I was watching the news on TV, tonight, and I noticed that the transportation sector is in turmoil over labour relations. There are potential labour disputes in the railway industry and in ports all over Canada. The message this legislation sends will be important for future negotiations in these sectors.

If the parties are not convinced of the importance of agreeing among themselves, if we give them the habit of waiting for a third party to settle their problems for them, we create the type of work relations which now prevail in the port of Vancouver. I think that an imposed solution is unacceptable and never brings about suitable results. Therefore, it is important that we send the message to other economic sectors that parties must pursue negotiations as far as the process allows.

The official opposition felt that a debate on this legislation was urgently needed, but I think citizens have a right to know that this urgency is not the result of this one incident. It is the result of the government's lack of foresight, as it has known about the problems at the port of Vancouver for some time now.

The government was aware of problems in this area but did nothing about them. And now, it steps in and says to the people involved, as if they were children, that because they could not work things out among themselves that it is going to have to do it for them. This only perpetuates the idea that they do not have to negotiate with each other to find durable and constructive ways to improve their working climate.

The minister's announcement that an investigating committee will be struck is interesting, but we must ensure that the parties will participate and will find solutions. I think that even if we agree that a mediator must be named and that people must be legislated back to work, the current legislation should allow negotiations to carry on and should not impose an outside solution which, at any rate, will never satisfy anyone.

I think that we will know we have succeeded in transforming labour relations at the port of Vancouver when a collective agreement is signed without third–party intervention and when all of the parties concerned have the impression that they signed an agreement which is to their advantage.

When both parties are ready to be reasonable, they will realize that working conditions are better during a period covered by a collective agreement when it is signed and accepted by all parties involved. This is how we can break the vicious cycle that labour relations at the port of Vancouver have been stuck in.

Hopefully, this will be the last time during this Parliament that we will have to bring in special legislation, because it is always a sign that the system is ineffective.

• (1920)

[*English*]

Mr. Dale Johnston (Wetaskiwin, Ref.): Madam Speaker, I will be sharing my time with the member for Wild Rose.

For 11 days in 1994 shipping through the B.C. ports was paralyzed. The estimates of the losses to the Canadian grain industry ran in the hundreds of millions of dollars. We are talking about grain in that instance. There were also manufacturers who lost out in the strike in 1994.

What did that strike cost them? It is difficult to measure that. Even more difficult to measure is the damage to our reputation as a reliable shipper. These were not the only losers in that strike. I believe everybody in a strike or a lockout situation is ultimately a loser. The workers on strike will probably never be able to make up for the wages they lost during that time.

It is absolutely ludicrous that such losses should be allowed to occur over and over again. In doing a little research, I came upon some bills that were very similar in nature. Some of them would think we could dust off and they would be suitable for today.

They are dated 1986, 1987, 1988 and 1989 right up to 1994 when we had to consider just such legislation in order to get the port of Vancouver working again. Déjà vu, here we are again. Sixty per cent of Canada's grain exports have been held in limbo. When one ties up that system, it has a domino effect. It backs up right to the farmers' gates. Nobody in a strike situation is in a winning position.

My friend from Rivière–du–Loup pointed out that perhaps because this has happened so often, the collective bargaining process is failing. I could not agree with him more.

Our minister has assured the House she would like to put something in place to ensure this does not happen again. I hear my friend from Rivière–du–Loup saying the same thing. He would like to make sure we do not have to go through this painful exercise, that perhaps when labour and management realize it is only a matter of time before the government steps in they maybe are not bargaining as closely and as honestly as they should.

I would be delighted if the Minister of Labour would look closely at what the Reform Party has put forward. My colleague from Lethbridge has put forward Bill C–262, a final arbitration bill, which we hope would never have to be used. Just because it is there does not mean that it is something we are going to beat up either management or union with and make them settle.

It is intended so both management and union know that if they cannot come to an agreement, they had better bargain hard and fast or this could be implemented.

We also have to look at what kind of a situation we would be in if the strike and lockout situation at the port of Vancouver were settled tomorrow. That contract is only good until December 31, 1995.

Then negotiations will start all over again. Perhaps next year at this time we would be back in the House considering back to work legislation again. Today the Minister of Labour announced the establishment of a commission to study labour relations.

• (1925)

I invite the Minister of Labour to read through our bill, to study our bill and to see the merit in it. If the minister is philosophically opposed to supporting a motion simply because it came from the Reform Party, then fine. Defeat that motion, but bring in another one that is very similar and will accomplish the same thing.

In speaking to the port authority today in Vancouver, it was estimated that in the container business alone, some 7,000 containers at about an average income of $1000 per container for handling has been lost in the little time this strike has been going on. This adds up to $7 million in lost revenue, not to say anything about the damage done to our reputation as a reliable supplier and what it has done to labour management relations.

A chain reaction takes place whenever we have a situation of this type. We are in a situation in which some 405 people have managed to bring the entire west coast shipping to a halt. It completely grinds to a stop from the port right back to the gate of the farmers and the manufacturers.

Is it not odd that these people at the port have never been designated as an essential service until they go on strike or are locked out? Suddenly they are essential. The fact we have to bring in legislation to put them back to work makes them essential in my books.

Bill C–262 would not only be a very useful tool to labour and management, it would not only apply to the port of Vancouver, but also to the port of Montreal where we have a similar situation taking place.

The port of Montreal is a very important east coast facility and we should be considering some intervention in that area. We have been reading in the paper where the port of authority there expects the government to take action, thereby strengthening our case that Bill C–262 would be required reading for the Minister of Labour.

We are not trying to point the finger at anyone in particular. It takes two organizations to come up with a conflict and I am sure there are two sides to this conflict.

Our final offer arbitration bill would be a very useful tool, one probably welcomed by both business and labour and I encourage the House to support that bill.

The Reform Party will be supporting back to work legislation.

Mr. Myron Thompson (Wild Rose, Ref.): Madam Speaker, I thank my colleague for his fine words. I am pleased to support this move tonight.

A number of things have crossed my mind since this affair began. I cannot help but remember the first two or three things that came to my understanding. We had some young families in Wild Rose that work for small businesses, exporters, mainly hay processors, that were laid off a week ago because the signs were coming that things were going wrong.

These people were the ones making $9 or $10 an hour. They do not make car payments and they do not make house payments because they cannot do that on $9 or $10 an hour. They have young children and are trying to survive. It is a shame that hundreds of these individuals are trying to get into the work market, trying to make a go of things, trying to stay off of welfare and doing all the right things. Suddenly there is a move about somewhere and they are being held hostage. They cannot go to work. There is nothing to do because a few people somewhere are stopping the work or not allowing the procedure to take place.

• (1930)

There is a discouraging part about it. I stood in this place less than 24 hours ago and asked if the House would consider giving unanimous consent to debate legislation requiring the workers to go back to work. The disappointing part was that right away we heard "no, no way" from the other side of the House. Good grief, here we are one night later doing exactly what I asked to do last night.

What was so unusual about getting going last night? Is it a bad deal that it happened to come from this side of the House? Did we have to wait another few hours to make sure it came from that side of the House?

Mr. Breitkreuz (Yorkton—Melville): It has to be a Liberal idea.

Mr. Thompson: It has to be a Liberal idea; it is no good otherwise. That is a shame. What did we hear? We heard: "No way", but here we are tonight debating something we all agree on.

There was noise from the opposition as soon as I mentioned that we should debate legislation to get these people back to work. What else did I hear? I heard irresponsible from Bloc members. I will tell them what is irresponsible. It is irresponsible when 295 individuals sitting in the House continually let these kinds of things go on year after year.

I admire and commend the Minister of Labour for her move. She said tonight that we must get something in place to make certain these kinds of things do not happen again. It is a good idea, even if it did come from the Liberal side. It is too bad they did not feel the same way last night. We could have got going a lot sooner, or maybe last year instead of letting it go for 12 days. We are just asking people to wake up.

A small business in my riding, Transfeeder, worked very hard this year to re–establish the business it lost last year. It does not employ a great number of people but it is doing its very best to help. It is part of a big picture. Last year it lost $500,000 in sales during a 12–day strike. Since then it has tried to calm the fears of Japanese businessmen and managed to get new orders.

It is finally getting back on its feet and suddenly everything is in jeopardy because of a stoppage. This small business is really striving. Japanese businessmen are asking why Canada is allowing the stoppage to happen. They do not understand.

Mr. Blair Wright, owner of that business in Olds, Alberta, could only answer like all Canadians by saying that he did not know. Is it not a shame when we in the House of Commons receive calls from our constituents saying that they have to lay people off, things are falling apart and perishable goods are perishing? They are being held hostage. Farmers cannot move their grain. Everything is looking grim. Yet we in the House hear nothing more than silly comments like irresponsible or no way when we try to do something about it.

It is time we woke up, started to get more serious and change our attitudes in this place. Perhaps that would inspire some attitudes all over the country that might make a difference and keep the economy going the way we want to see it go.

Unfortunately if we did not do something all Mr. Wright's work would be in vain. All he has done for a year to try to get going would be in vain. He worries about his staff. Most of them are young families trying to get a start somewhere. Most of them earn a little better than minimum wage. We do not even know what that is like any more, we are so accustomed to our big salaries.

• (1935)

An hon. member: And pensions.

Mr. Thompson: And pensions. We have to start thinking a bit more about the little guys who are trying to get on their feet. When times are tough and we get things rolling right, let us remember that we are trying to provide services and goods that are much needed throughout the world.

In case anyone has forgotten, the most important industry in the world is agriculture. We better not ever forget that. We have to keep our food supplies going where they are needed, keep people fed when we have the opportunity to do so, keep the jobs rolling and keep giving opportunities to young people who are saying that all they want is a chance to prove themselves. They are hard workers. They do not want welfare. They do not want

unemployment insurance. However we let these kinds of things go on year after year.

Bless the minister for coming up with the idea to put through some legislation that will put an end to this situation at last. Let us hope it is truly meant and let us hope that irresponsible opposition parties will fall into line and support logical legislation of this nature.

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Madam Speaker, I rise to indicate the opposition of the New Democratic Party to this back to work legislation. I suppose it will come as no surprise to those who are familiar with the stance that the NDP has taken in the past on back to work legislation.

I was in the House on a number of occasions when we dealt with some of the back to work legislation members referred to earlier tonight. Unfortunately, I say to the member for Wild Rose, I have heard other ministers of labour say that they had to do something about bringing forward a system to ensure that they would not have to do this as often as they do.

I have two things to say in that regard. I hope this time the government will try to bring in such a system. However we ought not to assume the system it brings forward is one we will automatically agree with. We may have problems with it but certainly the government ought to make an effort in that regard.

It was interesting to listen to some of the remarks members of the Bloc Quebecois, the official opposition, made on this matter. Earlier they had an opportunity in the House to delay the legislation and they did not use it. When the government invoked the standing order that permitted it to proceed without unanimous consent, if 10 Bloc Quebecois members had risen at the appropriate time to object we would not be dealing with the legislation tonight. There seems to be a bit of a gap between rhetoric and reality when it comes to the attitude of the official opposition in this regard.

With respect to the government and its sense of urgency which it did not display yesterday but which it has in abundance today, its sense of urgency is related to the movement of grain and the importance of agriculture. We all know how the argument goes.

I wonder why the government always refuses to take seriously and hold up to public attention that in many of these cases, as was the case yesterday and today before the lockout, the workers were willing to continue moving grain. I know this does not help other shippers but grain is often held up as the reason for the urgency.

In these situations I have seen workers and unions repeatedly offer to keep moving grain. It is the companies, the employers, that will not tolerate the situation because they want the government to step in. They rely on it. They know if grain were to keep moving the political pressure for government intervention would disappear. Therefore they lock out the employees to make sure the grain cannot keep moving to create the appropriate political scenario so the government then has in some sense a false sense of urgency. If the government really had a sense of urgency about moving grain, it would respond to the offer of the employees in the situation and make sure it was accepted by the company. But the government never does that. It never ever does that. That is something I wanted to put on record.

• (1940)

When I last checked about an hour ago bargaining was continuing between the union and management. It would certainly be ironic if by the time we finished tonight they had an agreement. Let us hope so. It is always better if something can be negotiated rather than brought to a conclusion by legislation.

Again going back to the extent to which the government often bases its arguments about its concern about moving grain—and I know my Reform colleagues will not agree with me—this is the same government that announced in the budget the end of the Crow benefit. In the judgment of many, and not just the New Democratic Party, that had an extremely deleterious effect on western Canadian farmers.

We are supposed to believe the crocodile tears that are being offered on the other side for western Canadian farmers when only a couple of weeks ago, in the their budget of February 27, the Liberals completed the job that they started in 1983 in the House when they were in government. It was the Liberal government of that day, I would remind western Canadian farmers who might be listening, that began the demise of the Crow rate.

I was here then and part of that great parliamentary battle. That was before the Tory government changed all the rules so that opposition could not have great parliamentary battles any more. We cannot delay things. We cannot allow time for public opinion to develop. We cannot do all the things opposition parties used to be able to do to give public opinion time to mobilize on an issue. It does take time.

It was the Liberals who started doing the job on the Crow rate then and they are finishing it now by getting rid of the Crow benefit. I do not swallow it when I hear Liberal cabinet ministers or Liberal members or anybody else getting up and giving me the old sob story about western Canadian grain farmers. From our point of view we believe the Liberals are doing far more harm to the agricultural community in western Canada by virtue of the policies announced in their budget than a strike on the west coast could ever do.

I would like to pick up on something the Bloc Quebecois mentioned, that is the need for anti-scab legislation in the federal jurisdiction. There is a campaign on now. I am sure the minister, even though she is new in office, will have inherited a rather large file from her predecessor of letters from all across the country, from locals, regional and provincial federations of

labour and other labour leaders calling for anti–scab legislation in the federal arena.

I would certainly like to add my voice as NDP labour critic to the call for that kind of legislation. I say that in an uncritical way. It may be that the government will bring forward a form of anti–scab legislation that will be unacceptable and will only, as the member said earlier, legalize a form of scab labour by sanctifying the movement of employees in a way that amounts to the same thing. We will wait to see exactly what the minister has in mind.

We know that in those provinces where genuine anti–scab legislation has been brought forward there is a lot less labour–management strife. Management has to bargain. It is not that all management bargains in bad faith, but there are rotten apples. Sometimes they bargain in the knowledge that they can put people out on strike and hire scab labour. When that kind of legislation is in place they cannot do that and they have to bargain in good faith. I hope we will see very soon from the government legislation in that regard.

In my riding a strike has been ongoing for two and a half years. I see the same guys walking back and forth in front of the Northern Blower plant in my riding. I believe this is their third winter. They are dealing with a company that has absentee ownership that does not care. It will not bargain. It has scab labour in there. These guys have been in this situation for a long time. If we had that kind of legislation in the provincial domain in Manitoba they would not be in that kind of situation. It is wrong for that to happen to people. I hope that we will see anti–scab legislation in those provinces which do not now have it and at the federal level.

• (1945)

Just the other day I went to the shopping centre in my riding. A fellow stopped me as I came out. The projectionists at Famous Players theatres are on strike. They are being asked by a company that I understand is making good profits to take a 60 per cent cut in wages.

What is going on when companies can ask people to take this kind of beating in their standard of living, particularly when those companies are making money? The company has brought in other people to run the projectors. If it was not able to do that it would have to bargain more seriously with its workers and would not be able to demand these kinds of concessions from them.

I have mentioned the situation of the lockout when it comes to the west coast. We have a similar thing happening at CP Rail right now. The brotherhood of maintenance workers decided to have a series of rotating or geographically isolated strikes, not to shut down the whole system, but to demonstrate anger at the situation without endangering the economy as a whole. What did the company do? The company locked the workers out. The company tries to create a crisis.

Obviously we do not have the crisis yet that the company wants. I am sure it would like to see back to work legislation but I would try to counsel in the same vein as others counselled the minister yesterday. Why not try to do something now about the situation facing us with respect to the railways rather than waiting until the situation develops further?

I am not talking about back to work legislation. I am talking about bringing the parties together and knocking some sense into the railways. They cannot expect railway workers to give up the kind of employment security benefits they negotiated. The workers gave up things for that security at the bargaining table years ago.

The railways cannot have it both ways. They cannot have asked employees in the past to give up certain benefits in order to get employment security and then at some point down the road say: "Do you know that employment security we gave you in return for all those things, well, we want it back. However we are not interested in giving back to you any of the things that you gave us in order to receive employment security".

I have a final comment. These debates always illustrate the kind of philosophical gap that exists between how we interpret the actions of working people and how we interpret the actions of people with money.

I heard the member for Wild Rose talk about the young business couple in his riding being held hostage by, in this case I presume, the longshoremen. I heard somebody else talk about the fact that a small number of people can hold up the whole country in this way. I understand that argument.

Why do we not have the same sense of offence when a small number of money speculators can hold the whole country hostage? Why do we not take the same offence at the small number of currency traders, the global casino operators? Why do we not take the same offence when they say: "I am not getting a high enough interest rate out of you, Canada, so I am going to undermine your economy".

Why is their economic freedom and their self–interested economic judgment to be respected and appeased? Why do we listen for instance to members of the Reform Party get up in the House even today and say: "We have to do what these money markets want us to do". Why is their economic self–interest sacred and yet the economic self–interest of longshoremen is held in a different category, if not in contempt?

• (1950)

I say not just to the Reformers because I have seen this happen long before they arrived here but we make this distinction. When working people say: "I will withdraw my labour because I

am not satisfied with the return I am getting on it," we say: "Don't be so unreasonable. Think of the entire economy. Think of the shippers, think of the small businessmen, think of the people you are hurting".

However, when a money speculator or a currency trader or an investor says: "I withdraw my investment. I withdraw my money from this situation because I am not happy with what I am getting," we say: "That is the way the world works, you had better get used to it". This is a double standard that ought to be exposed.

We must treat both arguments for economic self–interest equally. I would be quite prepared to live in a world where unions, like everyone else, were made accountable to the common good. But I am not prepared to live in a world where unions get the argument that they have to take everyone else's welfare into account while money speculators, investors and everyone else can just do whatever in hell they like and that is called reality. No way.

Mr. Jim Peterson (Willowdale, Lib.): Madam Speaker, can I ask your advice? How much longer are we debating?

The Acting Speaker (Mrs. Maheu): Until 8.07 p.m. We have 80 minutes debate allocated. We have 17 minutes until 8.07.

Mr. Peterson: I am very pleased to be able to say a few words tonight because I believe we are going through a period of incredible transition in our country. We have seen the government having to do things that five years ago we never would have dreamed would have been necessary when we brought down the budget.

Canadians realize that there is no longer that pot of gold out there or that our future is assured or guaranteed. People are uneasy because they know we are facing change. They also know that in Canada we have assets unparalleled in any other country in the world: natural resources and human resources to actually make the transition from a resource based economy to an economy dependent on human skills competing in the global economy.

We can do this but it is going to require a lot of changed attitudes. I do not believe that in the future the concept of management on the one side; labour, be they unionized or not, on the other side, be it government or the public, are going to necessarily be the stakeholders in the way they have in the past.

We have introduced in our country and throughout the western world, for very good reasons, the concept of collective bargaining, the concept that workers have the right to negotiate freely for their conditions and for their terms of employment. Management has the right to lock out workers if they do not accept the union offer. However, more and more we are going to have to realize that workers are citizens of the country, that managements are citizens of the country and that all of us have a stake in finding new ways to deal with labour disputes.

Can we afford to go back to the era of 10 years ago when we had the worst labour–management record of any of the industrialized countries? We were doing it to ourselves. Of course we cannot because we are now competing in a global economy where other nations have learned to resolve their labour disputes in a civilized, non–confrontational, non self–inflicting damage manner. Anytime there is a strike or a lockout it is an admission of failure in the collective bargaining process. Let us recognize that.

• (1955)

I am glad in the present circumstances that we let this thing go as long as we possibly could to see if a collective agreement could be arrived at by a negotiated solution. This is always best, rather than imposing conditions which may not be acceptable to either side.

We had to act however. The member for Wild Rose puts it very forcefully. They went on strike this morning. That is why, with the consent of all members, we are sitting tonight to pass that legislation. Maybe some members, like the member for Winnipeg Transcona, do not necessarily agree with this. I understand some of his concerns for the working person. However we have to recognize that the moment we start using lockouts and strikes, we are denying our competitive ability vis–à–vis all of our neighbours in the global economy. How irrational can we be to allow these things to take place?

Legislation preventing strikes in every circumstance is obviously not the solution. As people with a duty of public leadership in Parliament perhaps we have to work more closely with labour and management to see if we can settle these strikes before they become self–defeating for all of us. Maybe we are going to have to find ways to say: "You just cannot strike in certain circumstances. You cannot lock out in certain circumstances because it is against the national interest".

Maybe we can look at new solutions such as final offer arbitration.

Some hon. members: Hear, hear.

Mr. Peterson: Maybe these are some of the approaches we can go into. However, we know the risk is always there if management and labour in a dispute know that government will step in and settle that dispute by legislation. Then they will not negotiate in good faith.

Looking ahead, the solutions are not always that obvious to us. If they were, we would have found them a long time ago. No one in the House believes that strikes and lockouts are the solution. But I do believe that if we keep stressing that we are now in this together, it is not a question of adversaries and stakeholders fighting it out. We are all in the same boat. If we are

fighting one another, we are drilling a hole in the bottom of our own boat. This has to be the attitude we bring to our future as management, as labour, as citizens and as government.

With this approach we are going to be able to overcome a lot of the animosities of the past. In doing this, we will have to ensure that we do not allow the injustices to creep in which gave rise during the twenties and the dirty thirties to organized labour that had to strike. We are going to have to make sure that we do not have the rapacious management of the twenties and the thirties that was capable of dictating not only wages and hours, but conditions that were unsanitary, unhealthy and such things. That is not what we are asking for. We are enlightened.

We know that a happy workforce is a productive workforce, is a competitive workforce. We know that a management team that works with labour and shares their problems, that brings them to the table, that opens the books to them, that says: "We have a big problem, how do we fix it together," is the type of enlightened management that avoids problems and brings about the new routes to productivity being employed by many of our competitors around the globe.

Let us not rejoice tonight in the fact that we have had to legislate an end to this work stoppage. Let us recognize that what has happened is a failure for every one of us. It is a failure for everyone in this House who did not use his or her collective strength and ability to say to labour and management, is there not a better way. It is a failure based on the way we have done things in the past. We have done them better recently, but it is only 10 years ago that we had the worst record for lost days because of work stoppages, strikes and lockouts.

• (2000)

Let us say we have done what we have had to do. It was necessary in the public good. Let us say, can we not use this as an occasion to find a better way for the future.

[*Translation*]

Recognizing the role played by workers, unions, companies, and Canadians in general, we must recognize that the measures taken today are not remarkable and that their sole purpose is to protect exports, harbours, and farmers, and to provide essential services. But, from now on, let us recognize that we must find more efficient and more realistic alternatives to ensure peace on the labour front, and co–operation between unions and management, in order for Canada to become stronger, more competitive and more prosperous.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

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

(*Division No. 168*)

YEAS

Members

Abbott	Adams
Alcock	Allmand
Anderson	Arseneault
Assad	Assadourian
Augustine	Axworthy (Winnipeg South Centre)
Baker	Bakopanos
Beaumier	Bellemare
Benoit	Bertrand
Bethel	Bevilacqua
Bhaduria	Blondin–Andrew
Bonin	Boudria
Breitkreuz (Yorkton—Melville)	Bridgman
Brown (Calgary Southeast)	Brown (Oakville—Milton)
Brushett	Bryden
Bélair	Bélanger
Caccia	Calder
Campbell	Cannis
Catterall	Cauchon
Chamberlain	Chatters
Clancy	Cohen
Collenette	Cowling
Crawford	Culbert
Cummins	DeVillers
Discepola	Dromisky
Duhamel	Dupuy
Easter	Eggleton
English	Epp
Fewchuk	Finlay
Flis	Fontana
Forseth	Frazer
Gagliano	Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard	Gilmour
Graham	Gray (Windsor West)
Grose	Guarnieri
Hanger	Harb
Harper (Calgary West)	Harper (Churchill)
Harper (Simcoe Centre)	Harris
Hayes	Hermanson
Hickey	Hill (Macleod)
Hill (Prince George—Peace River)	Hoeppner
Hopkins	Ianno
Iftody	Irwin
Jackson	Jennings
Johnston	Kerpan
Knutson	Kraft Sloan
Lastewka	Lavigne (Verdun—Saint–Paul)
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lincoln
Loney	MacAulay
MacDonald	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Martin (LaSalle—Émard)
Massé	Mayfield
McClelland (Edmonton Southwest)	McCormick
McGuire	McKinnon
McTeague	Mifflin
Milliken	Mills (Broadview—Greenwood)
Minna	Mitchell
Morrison	Murphy

Murray	Nault
O'Brien	O'Reilly
Pagtakhan	Paradis
Parrish	Payne
Peric	Peters
Peterson	Phinney
Pickard (Essex—Kent)	Proud
Ramsay	Reed
Regan	Richardson
Ringma	Ringuette-Maltais
Robillard	Rock
Schmidt	Scott (Fredericton—York—Sunbury)
Silye	Simmons
Skoke	Solberg
Speaker	St. Denis
Steckle	Stewart (Brant)
Stewart (Northumberland)	Strahl
Szabo	Telegdi
Thalheimer	Thompson
Tobin	Torsney
Ur	Valeri
Volpe	Walker
Wappel	Wells
Whelan	White (Fraser Valley West)
Zed—165	

NAYS

Members

Asselin	Axworthy (Saskatoon—Clark's Crossing)
Bachand	Bellehumeur
Bernier (Gaspé)	Blaikie
Bélisle	Canuel
Caron	Chrétien (Frontenac)
Crête	Dalphond-Guiral
Debien	de Jong
Deshaies	Duceppe
Dumas	Fillion
Gagnon (Québec)	Gauthier (Roberval)
Godin	Guay
Jacob	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leroux (Shefford)	Loubier
Marchand	Ménard
Picard (Drummond)	Pomerleau
St-Laurent	Tremblay (Rosemont)—34

PAIRED MEMBERS

Barnes	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bouchard
Brien	Chan
Comuzzi	Daviault
Gaffney	Godfrey
Guimond	Harvard
Hubbard	Keyes
Lalonde	Landry
Leblanc (Longueuil)	Leroux (Richmond—Wolfe)
MacLaren	McWhinney
Mercier	Nunez
Paré	Patry
Rideout	Robichaud
Rocheleau	Terrana

• (2025)

The Deputy Speaker: I declare the motion carried.

(Motion agreed to, bill read the second time and the House went in committee thereon, Mr. Kilgour in the chair.)

[*English*]

The Chairman: Order. House in committee of the whole on Bill C-74, an act respecting the supervision of longshoring and related operations at west coast ports.

[*Translation*]

The parliamentary secretary to the Leader of the government in the House has the floor regarding clause 2.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Chairman, some discussions took place between the different parties in this House.

[*English*]

Mr. Chairman, I think you will find there is unanimous consent if such is required, but you will find there is general consent in the committee to have the amendments put by members of the opposition. I do not believe there are any government amendments to the bill, although there may be some, as the hon. member for Calgary Southwest is keen on saying.

The opposition may wish to move amendments and there would be a disposition to allow all of those amendments to be put, notwithstanding which clause they may be on. Then the discussion could range over all of the clauses and all of the amendments while being nominally on clause 2.

At the end of the discussion I think you would find a disposition to put the question in order on all of the clauses, the amendments appropriately placed for each clause, the title and the preamble, or whatever there may be to put questions on at the end of the bill. I would invite the Chairman to do that if that is satisfactory. I think you will find general consent.

[*Translation*]

The Chairman: Is there unanimous consent?

Some hon. members: Agreed.

The Chairman: We received 11 amending clauses and I believe all of them are in order.

The chief opposition whip has the floor regarding clause 2.

On Clause 2

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Chairman, I will table a series of eight amendments supported by the hon. member for Kamouraska—Rivière-du-Loup, and I will read each of them.

The first amendment reads:

That Bill C-74, in Clause 2, be amended by deleting, in lines 18 and 19, on page 1, the word "arbitrator".

The second amendment reads:

That Bill C–74, in Clause 6, be amended by deleting, in line 7, on page 3, the word "mediator–arbitrator" and replacing it with the word "parties".

The third amendment reads:

That Bill C–74, in Clause 8, be amended by deleting, in lines 30, 36 and 37, on page 3, the word "arbitrator".

The fourth amendment reads:

That Bill C–74, in Clause 8(2)(b), be amended by deleting, in lines 11 and 12, on page 4, the words "and render a decision in respect thereof" and replacing them with the words "and report to the minister".

The fifth amendment reads:

That Bill C–74, in Clause 8, on page 4, be amended by deleting paragraph (2)(c), paragraph (2)(d), paragraph (3)(b) and paragraph (4) and by deleting, in line 18, the word "arbitrator".

The sixth amendment reads:

That Bill C–74, in Clause 9, on page 4, be amended by deleting the word "arbitrator", in line 34, and by deleting all the words following the word "mediation", in lines 40 to 45.

The seventh amendment reads:

That Bill C–74, in Clause 10, on page 5, be amended by deleting the word "arbitrator", in lines 3 and 4.

The eighth amendment reads:

That Bill C–74, in Clause 11, on page 5, be amended by deleting after the word "provision", on line 17, all the words in lines 17 to 21.

• (2035)

Mr. Chairman, I already made a speech at second reading and those amendments reflect the proposals put forth during that speech. Consequently, I have nothing else to add and I will let other members speak on these issues.

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Chairman, the amendments submitted by the Bloc Quebecois, as I understand them, are meant to introduce a mediation system without arbitrators, without a timetale and without any indication of what would be done with the mediator's report.

I would simply like to remind the members of this House that when the conflict began in the western ports, the government followed all of the steps set out in the Canada Labour Code. The first step was to name a conciliator from the department's Mediation and Conciliation Service. This conciliator was named back in 1993 to help the parties negotiate with each other. Unfortunately, the conciliator achieved no real results.

Then, my predecessor officially named a conciliation commissioner. This action was taken back in October 1994. The commissioner worked with the parties for several months and submitted a report quite recently, in February 1995.

Therefore, I think that all of the possible mediation and conciliation steps to bring the parties to an agreement regarding the collective agreement have already been taken. This is why I find myself obliged to tell the Bloc Quebecois that it would be extremely difficult for this government to accept its proposed amendments.

Mr. Duceppe: Mr. Chairman, our amendments clarify a number of points, including what should be done with the report. We suggest submitting the report to the minister. I assume that if the minister received a mediation report which involved the participation of both parties, she would know what to do, which means at least reading it and probably taking some kind of action. That was my first point.

Second, I realize there was an investigation commissioner, but the fact remains that special legislation has something urgent about it and is a major step in the process, and the parties would certainly take the mediator's proposals more seriously in the knowledge that the minister would subsequently receive a report which they had helped to draft and that the minister would be able to intervene, to take this report and bring the discussions and the mediator's proposals before the House.

So I think the basics are there. And if the minister wants to include a time limit in days in the amendments we are proposing, well, we would be happy to oblige if the minister is so concerned about that.

On the other hand, I must say that when we consider how this dispute developed, all the employer did was order a lock–out and 15 hours later we have special legislation. This tends to poison labour relations, and that is exactly what happened.

• (2040)

It should be pointed out that the union allowed grain movement and longshoring. It was management that interrupted these essential services which could be maintained under an anti–strikebreaking act. I disagree somewhat with my colleague from the NDP who said earlier that the Bloc Quebecois had made this emergency debate possible. I think it is important to debate this issue, even though we will be voting against this legislation.

I will remind him that, had his party held its own in the 1990 debate on anti–strikebreaking legislation, perhaps we would not be having this debate now. But the NDP did not do so in November 1990. Principles are one thing, actions are another and actions speak loader than words.

I think that, with our amendments, the hon. minister has enough material to take more significant action in this matter.

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Chairman, I think the hon. member from the Bloc Quebecois misunderstood me. First, let me assure the House that, as Minister of Labour, I personally read each and every report I receive. Have no fear, if a report is sent to me, I will read it.

I think the Bloc member did not understand the fact that I already have a report that was sent to my predecessor. We have already tried conciliation at a previous step in this process. There was a concilation commissioner who submitted a report, not only to the minister, but to both parties involved who took cognizance of it.

The conciliation commissioner did an outstanding job. He examined in detail all the problems involved and came up with some answers. His report was handed down not only to the minister, but also to both parties involved. The bill before us provides for the appointment of a mediator–arbitrator, that is to say that the emphasis will be put, first and foremost, on mediation.

This is in line with the wishes expressed by members of the Bloc Quebecois who demanded a mediation process. This bill will ensure that such a mediation process takes place. If the parties cannot reach an agreement, the mediator will become an arbitrator and will then act in such a capacity. So, in that sense, the bill before us addresses the concerns of both parties who, unfortunately, could not come to an agreement.

As I said earlier, a Minister of Labour is always reluctant to introduce back–to–work legislation. It is always better for the parties to come to an agreement by themselves, but since this was not possible, we must act to protect the entire economy of Western Canada.

Mr. Duceppe: Mr. Chairman, I think there is a big difference with this bill. This bill provides for a back to work order which we agree with and do not wish to amend. What is proposed here is a mediation process as a result of the pressure tactics used by the union or a lockout declared by management, and we agree with a back–to–work legislation.

What we say, however, is that it would be much better for the mediator to do his or her job in a setting different from that which existed before the pressure tactics, the lockout and the special back–to–work legislation. This bill contains all the elements needed for the parties to adopt more realistic attitudes, which was not the case when an investigation commissioner was chosen even before any pressure tactics was used by the parties, something they will no longer be able to do after this bill is passed.

Mrs. Robillard: Mr. Chairman, I think that the Minister of Labour can act according to the Canada Labour Code. If I understand correctly, what is wanted is that the bill require a return to work and the appointment of a mediator who would report to the minister.

• (2045)

But what would happen afterwards? How would we make a decision? How would we reach a collective agreement? It is not incumbent on the Minister of Labour to make the final decision and to decide on the clauses of the collective agreement. It is exactly for that reason that the Canada Labour Code gives us the possibility of naming an arbitrator. And therefore it seems to me very appropriate to have a mediator–arbitrator who will be able to play both roles.

The Chairman: Before recognizing the hon. member for Kamouraska—Rivière–du–Loup, I think that I must give some explanation to the House.

[*English*]

We are having a general debate on all of the amendments so that any member can get up at any time on any amendment. It should be understood by all members that is the case.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Chairman, I rise to provide some response to the question the minister asked and to draw attention to what I see as a contradiction between the bill and the excellent decision to set up a board of inquiry. There have been a lot of problems in this sector of labour relations for a number of years. The minister says it is time to clean things up, understand what is going on, change the rules and take the appropriate corrective action.

At the same time, the bill repeats the same old traditional pattern of making special laws for ports, as has been done for a number of years. The practice has always been to decide for the parties. We would expect, and this is the focus of our amendments rather than the elimination of the notion of arbitrator, that the minister would want to change the way things are done, just as the board of inquiry should bring about effective changes in practices and ways of operating.

We must remember that they got to this point because they knew from the outset that this was the way it worked in the sector. Therefore, from the outset, they negotiated knowing that, in the end, they would reach this point and that there might be special legislation because of what has happened in the past. What we must give them is the message that this longstanding pattern no longer works and must be changed.

Therefore, adopting a special law is no solution. We are telling them to return to work and to their bargaining responsibilities, to resume negotiations with a mediator so that they are not relieved of their responsibility, but are rather confronted with it, and will have to reach an agreement as they are the interested parties. This is the meaning of the amendments we made.

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Chairman, I now understand more clearly the intent of the amendments brought forward by the Bloc Quebecois, but I want to say to the members of this House that we have to solve, in the very short term, a problem that exists at this very moment. At 8.45 p.m. tonight, we have a problem in Western Canada and the

appointment of a commission of inquiry will not give us short term solutions to this problem.

The appointment of a commission of inquiry will certainly help us in the medium term so that this situation does not happen again. Right now, I agree that we are opting for a more traditional solution, if I may use this expression before the members of this House, to the dispute that is going on. This more traditional solution is the appointment of a mediator–arbitrator who will impose a settlement so that we have a collective agreement that will be effective until at least December 31, 1996.

In the meantime, we will appoint a commission of inquiry which will review the bargaining process and we will be able to see what changes can be made later on. So, the bill before us will help us solve the problem in the very short term, but we will still take a long term look at the whole bargaining process.

Mr. Crête: Mr. Chairman, I would like to draw the attention of the House to the last amendment on our list because it is a little different. That amendment provides that in clause 11, on page 5, line 17, all the words after the word "agreement" be deleted. That clause reads as follows: "Nothing in this Act shall be construed so as to limit or restrict the rights of the parties to the collective agreement to agree to amend any provision of the collective agreement—and the clause goes on—amended by or pursuant to this Act, other than a provision relating to the term of the collective agreement, and to give effect thereto."

The purpose of our amendment is to delete all the words after the word "agreement" so that the parties will have much more freedom to agree on provisions other than those provided for in the bill, more particularly relating to the term of the agreement.

• (2050)

We would like the parties to have the opportunity, if they so wish, to negotiate provisions other than those in the bill, and especially a back to work agreement. It would be important for the parties to have some breathing space to do that.

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Chairman, I have been informed this is already possible under the present provisions of the Canada Labour Code. The amendment proposed by the hon. member for the Bloc Quebecois is unnecessary.

Mr. Crête: Mr. Chairman, if it is already indicated in the Canada Labour Code, then it is a matter of clarification. If it is already in the Canada Labour Code, it would be unnecessary to say what it says in the bill, because this would mean adding something that already exists in the Canada Labour Code. Here, certain clauses restrict the rights of the parties, but we do not want any restrictions on the rights of the parties. This is in line with getting rid of the mediator–arbitrator, but it is an additional element that could apply even if the amendment on the mediator–arbitrator is rejected.

[*English*]

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Chairman, it is sad that I must stand here today to talk about putting an end to a strike that should not have happened.

This type of work stoppage has happened again and again. There have been over 25 stoppages in the grain handling system in the last 25 years. There is no need for that.

The irony is that as we debate putting an end to this longshoreman strike, at this very time there is a labour disruption effecting rail movements which will still prevent the proper movement of grain and other commodities to market.

I refer to the Minister of Labour's response in question period yesterday to a question from the hon. member for Simcoe Centre. He said: "The Minister of Labour may have time to wait and sort this out but Canadian farmers do not. Present shipments are in danger. They must plan for future crops now and should not have to worry about whether the rail system will be there when they need it. I ask the minister again, when will the government introduce back to work legislation?"

The response from the Minister of Labour was: "I would like to ask the Reform member to remain calm and to refrain from spreading panic among the parties concerned. As we speak, grain is moving in the west, in Vancouver this very day. We should keep in contact with the parties and keep in mind that it is always better to negotiate an agreement than to envision legislating these people back to work".

The hon. member for Simcoe Centre said in his next question: "We have been calm far too long. When is the time to get nervous? It is right now. There have been 13 work stoppages in 29 years. Our western grain growers cannot afford to bear the brunt of another strike. Canada's transportation system must be reliable or our customers will go elsewhere. Once the back to work legislation is passed, will the government take steps to ensure the threat of future rail strikes is removed once and for all?"

The minister's response was: "As usual, the hon. member is going a bit too fast. At this stage, legislation is out of the question, so I will not answer hypothetical questions".

• (2055)

The minister's response to the Reform member's question was not acceptable then and it is not acceptable now.

Today we are talking about ending a strike which affects longshoremen. It is not good enough to do this today. We must bring in back to work legislation tomorrow to end the rail strike which will still cost farmers and other shippers money tomorrow, Friday, Saturday and the day after that.

The Chairman: The hon. member is speaking to the matter. He can speak to any of the amendments or any of the clauses. The members on the government side were listened to courteously. I think the members of the government side might listen to this member who comes from the grain producing region of Canada.

Mr. Benoit: Mr. Chairman, tomorrow let us get back to work legislation on the rail strikes. Next week let us get legislation before the House that will prevent this from happening again next year and in the years following.

I would like to thank my fellow members of caucus who have worked so hard in pushing for an end to this strike. I would like to thank in particular the member for Wild Rose for asking yesterday for an emergency debate to end the longshoremen strike which stopped movement of grain and other products. I would also like to thank the Liberal government and the labour minister for her action in legislating this strike to an end.

I want to talk about the costs this strike will bring to farmers, that the strike last year brought to farmers, that the rail strike will continue to bring to farmers in western Canada and to others who depend on this movement system.

Particularly for the farmers these costs include demurrage costs on ships that wait to be loaded. It cost millions of dollars last year in the 12–day strike. It took the government 11 days to act last year. I guess it is to be congratulated. It took less time this year with this strike. How long is the government going to take on the rail strike? We have yet to see.

There are 28 ships waiting in port right now with 17 more ships due by Friday. More than 60 per cent of the grain exports are not moving. Grain elevators are backed up. Lost sales which we incur with each of these strikes are the biggest single cost to farmers and for other shipping commodities through the west coast and other ports.

What is the value of lost sales in grain due to this strike, due to the rail strike which still continues, due to the strike last year? Last year the estimated cost over the 12–day strike was over $200 million in lost sales. This year for the longshoremen strike it will be millions more. We do not know when the rail disruption will end. I would like to ask the minister when she plans to end the rail disruption.

Why did this longshoremen strike and the rail strike ever happen? In 1992 a contract ended. We knew, this minister knew, this Liberal government knew, Reformers certainly knew, farmers knew and union members knew there would be a work stoppage.

It has become tradition for unions to depend on back to work legislation to end strikes and lockouts. It has become tradition because they have learned over the past years they do very well by waiting for government to legislate them back to work. In some cases the agreements have actually been better than they have been asking for in negotiation. Labour has come to depend on governments legislating them back to work.

Why did we have to wait until the work stoppage actually came into effect? Why are we waiting for the rail strike to continue? When will the minister act in that regard?

• (2100)

Last year when government legislated an end to a disruption on the west coast, the Reform Party presented during the debate positive alternatives which, if implemented, would have prevented this situation from ever happening. Reform pushed for last best offer arbitration during last year's debate. Nothing was done. I would like to quote from a speech that I gave about a year ago in the House in very similar circumstances.

I want to present one of the Reform options which I presented to the House at that time and which the Liberal government should have responded to then and which I ask it to respond to now.

I talked about two options. The second option:

> —is to put in place a better labour–management negotiation process. This could involve ensuring that a new agreement will be in place before the old one expires—
>
> To accomplish that an arbitrator could be appointed approximately six months before a contract expires. If a settlement has not been reached within two weeks of the end of the contract, then an arbitrator would ask management and labour to come up with their best offer, their best position. The arbitrator would then pick one, either the labour position or the management position. One position would be completely accepted and the other position completely rejected.
>
> Under this process a strike would not be allowed to occur. This is good for labour. It is good for management. It is good for western Canadian grain farmers and others using the system. These options should be considered in developing a long term solution to the recurring disruptions in the grain handling system.

That is what I recommended in debate last year.

Since then the hon. member for Lethbridge has put forward a private members' bill on this issue, Bill C–62, which he will talk about later. In that bill is the process for dealing with last best offer arbitration.

I encourage the government after the third hour of debate which takes place at noon on Monday to be here to vote in favour of Bill C–62 so that we will have in place a mechanism that will work and that will satisfy labour and management to some extent. It will prevent these disputes and these disruptions from happening in the future.

I call on the Liberals now to be here on Monday to listen to the third hour of private members' debate and to vote so that these disputes will not occur in the future.

As my last question I ask the hon. Minister of Labour if she will support Bill C–262 which will put in place a last best offer arbitration procedure that will prevent any disruptions in the grain handling system from occurring in the future?

I ask the labour minister that now and I encourage her to support the bill next Monday. I ask her whether she will support this bill.

[*Translation*]

The Chairman: The Minister of Labour may prefer to answer both members at the same time. The hon. member for the official opposition put a question earlier. Does the minister wish to respond or would she rather wait until the end of this discussion?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Chairman, in response to the question asked by the hon. member from the Bloc Quebecois, I will remind him that clause 11 of the bill before us allows the parties to amend any provision of the collective agreement, including those that will be imposed on them, other than the term of the collective agreement, of course. Clause 11 gives a fair bit of flexibility.

• (2105)

Second, I would tell my colleague from the Reform Party that the government has already made a decision on all the problems that he has raised. First, it will solve the problem very quickly through this back to work legislation but also by setting up an industrial inquiry commission that will review the collective agreement structure.

I do not know whether the investigation commissioner will draw the same conclusions as the hon. member from the Reform Party, but I think that we should analyse the situation as a whole and that is why we will appoint an investigation commissioner.

[*English*]

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Chairman, I have a question for the Minister of Labour. I wonder if she could tell the House whether or not it is the general policy of the government to bring in back to work legislation which does not legislate a settlement, as is the case with this legislation?

Is it the policy of the government to bring in legislation without a settlement? The legislation before us does not have a settlement. It appoints a mediator or arbitrator. Is this the general policy of the government with respect to back to work legislation?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Chairman, the government assesses each situation on its own merits.

[*English*]

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Mr. Chairman, I was sitting here just a few minutes ago wondering why I was happy to be here at seven minutes after nine on a Wednesday evening. I just realized what it was. I get to sit in the front row once a year. However, that is hardly reason enough to be here once a year; to pass back to work legislation in labour disputes.

Many of the points I want to make this evening to the government and to the opposition have already been made so I will dispense with them. However, there are a couple of questions and a couple of concerns that I do have with this legislation and I would like to spend a few minutes asking a couple of questions.

Before I do that, I had a letter handed to me today from an alfalfa dehydrator in Olds, Alberta. I think it is worthwhile reading it into the record tonight. It is an obvious concern from people in that industry who go through these types of labour disputes on an almost regular basis. Certainly they have concern for the future of their businesses whenever they see one coming down the road.

I will read this letter, if I may:

> If in any small way my name or the name of my company can stop the insane abuse of power a very few people have over so many others, please use them.
>
> In our industry Canada only has a 3 per cent market share. The U.S.A. has 85 per cent, China and Australia have about 5 per cent each. The Americans cannot be happier, they probably will sell lots more product now and will lock in more future sales because of Canada's poor track record and reliability and with no future end in sight to the strikes. My customers from Japan ask, "How can we be so stupid?" "If you cannot supply them we have no choice". Americans will win again, not because they are better, more competitive, or have better quality but through default.
>
> If the Dominion of Canada wants me to pay taxes and to help fight the deficit, please help me deliver products I have sold. End this strike forever.

It is signed: "A discouraged export business owner". His name is Blair Wright from Olds, Alberta.

The reason I read that is that I think it is critical. I echo the words of my colleagues who have said that we cannot continue to work under this system. I encourage the minister to develop some sort of system. I encourage her to do that in order to pre–empt these types of labour disputes. As the member of Parliament for Moose Jaw—Lake Centre, I would offer my

support to the minister and I would be prepared to help in any way I can to make that happen.

• (2110)

The two questions I would like to ask the minister on the legislation are, first, why are the Montreal docks not included in this legislation? Second, if the Reform Party had been drafting this legislation it would have removed section 8 and replaced it with final offer selection, which has been discussed here before.

I want to be very clear about this. I talked to the minister's officials before the debate began tonight. I understand that the reason behind not using final offer selection is that it was used about a year ago in a labour dispute that was then ongoing. I understand and I accept what they have told me.

However, I would like to ask the minister if she believes that final offer selection could be useful at some point in this process. Would she commit the mediator–arbitrator to move to final offer selection at some point in this process if it is necessary?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Chairman, with respect to the port of Montreal, why is the situation there not included in this bill? Well, I would say that the situation in the port of Montreal is completely different.

I said earlier that we evaluated each situation on its merits. That is what we have done in the case of the port of Montreal. As you know, there is a labour relations problem there too, but all the other ports in the province of Quebec are now also in operation. Trois–Rivières, Sorel and Quebec City come to mind. Therefore the impact or consequences are not as great compared to the situation in Western Canada. That is my first comment.

My second is that, in the port of Montreal, we have seen over the years that the parties are very often able to reach an agreement. I believe that we have not had a general strike in the port of Montreal for over 20 years. At this point I have complete confidence that the parties can still come to an agreement in the port of Montreal. It is also very clear that I am making them a formal offer of mediation, precisely for the purpose of reaching such an agreement. Under these circumstances, I would consider legislative intervention completely premature.

As for the second question, regarding the possibility of a final offer, I would like to say that the complexity of this year's debate, compared to last year's, is completely different. Last year, there was only one element involved. If I remember correctly, the issue then was whether or not to allow an increase from 65 to 70 cents. The question was very simple: yes or no? The issue was a very straightforward one.

The situation before us today is much more complex. That is why we have opted for mediation–arbitration. If there is a final offer, the decision will be up to the arbitrator.

[*English*]

The Chairman: The member for Winnipeg Transcona made it clear that he had not finished his earlier remarks.

Mr. Blaikie: Mr. Chairman, I asked the minister a question earlier.

Concerning back to work legislation, is it the general policy of the government to bring in back to work legislation which does not involve a settlement, but rather a mediator–arbitrator as is the case before us now?

The reason I ask that question is because of the debate which has already ensued here and the comments which have been made about the possibility of further back to work legislation having to do with the rail situation. There is a concern, given some of the things the Minister of Transport has said in the past, that if the government brings in back to work legislation it may legislate a settlement to get rid of or reduce severely the employment security benefits that are in the current collective bargaining agreements.

I want to ask the Minister of Labour whether or not she can give assurances to the House and to the people who are concerned about the nature of that back to work legislation. Has the government ruled out legislating a settlement, particularly in respect of the employment security benefits?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Chairman, I repeat that each situation is assessed on its merit.

As for the railway situation, it is now 9.15 p.m., so it is premature to talk about back to work legislation. I would not want to base my opinion on assumptions, but we will assess each of these situations. I am happy to see that negotiations were going on, today, in the railway sector. Once again, the main purpose of the minister of Labour is to help parties reach an agreement and to legislate. When we do that, it is because we do not have a choice any more.

[*English*]

The Chairman: There are four people who want to speak and there are about 15 minutes left. One more comment from the member for Winnipeg—Transcona.

Mr. Blaikie: Mr. Chairman, I want to ask the Minister of Labour with respect, I understand there is no need for back to work legislation now and I hope there will be no need. I cannot foresee a situation in which there would be. But her colleague, the Minister of Transport, also has a responsibility in the area of rail. He has indicated on a number of occasions that the government would act to eliminate the employment security provisions of the collective bargaining agreements if they could not be negotiated away.

What policy does the Minister of Labour bring to this particular situation which I am sure she is familiar with? On the merits of the situation as she now understands it, is she prepared to tell me and this House that the government will not legislate a settlement—

The Chairman: The member has been here as long as I have and would know the matter he has raised is not relevant to the bill now before the House. If the minister wants to make a comment she can, but it is certainly not relevant to what we are talking about.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Chairman, I have a first question to put this debate into perspective. I keep hearing my colleague talk about strikes and more strikes. I think he mentioned the word five times. To my knowledge and from what I have read about the situation, a report was tabled, the employer implemented it unilaterally while the union was against it. The employer then proceeded to lock out the employees. To my knowledge such was the chain of events. Workers are not on strike, they have been locked–out. This is the first point. Madam Minister, I am asking you to tell us whether I am right or my colleague is right.

As to the actual return to work we have no objections, but we do have objections with what the minister is proposing, a graduated approach. She mentioned earlier a conciliation which effectively took place. Normally, the second stage in labour relations is mediation, followed by arbitration, if need be. I believe that as far as graduated responses are concerned, this one, as my hon. colleague mentioned, is rather swift, since we have already reached the mediation–arbitration stage, only twenty hours after the lock–out started. This is rather quick, and I believe that it sends a dangerous message to Canadian employers as a whole, especially since no life is at risk. I understand that from an economic perspective, this issue is very important.

• (2120)

It is conceivable that, from now on, employers in the rest of Canada are going to say: "If we lock out our workers, what might happen is that the minister and the House of Commons are going to pass back to work legislation which will impose a mediator–arbitrator and they will both abdicate their responsibilities".

My second question to the minister is this: Does she not think that she is going a bit too fast with her graduated back to work measures?

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Chairman, let me take this opportunity to express my warmest and sincerest congratulations to the new Minister of Labour who acted very quickly on this issue in a very decisive fashion. I think that was warranted, given the situation we are facing.

The decision to bring in legislation to force people back to their jobs is never taken lightly. It is a step that is only taken when the stakes are too high for a strike to be left to take its course. This is such a time.

Last February, Canada's grain handling and transportation system was disrupted for 11 days when longshoremen on the west coast went on strike. It was a significant contributing factor in the big transportation backlog. This was only the most recent of several work stoppages in recent years that have affected the grains and oilseeds industry. The direct cost of that strike to the industry was estimated at $35 million above and beyond other significant losses resulting from deferred or lost sales.

Make no mistake about it. Whenever our ability to transport our grains and oilseeds and other crops to port is disrupted, our customers look to other suppliers to meet their needs. These repeated work stoppages no matter what their cause have the same results, a negative impact on our sales. Some of our customers have questioned our reputation for consistent and timely delivery of quality grains and oilseeds.

Last April and May the Minister of Agriculture and Agri–Food made an important trip to Japan, Korea, China and Hong Kong. While he was there he was told face to face by some very angry customers that they were not happy with Canada's performance. The message was clear: We had better clean up our act or our customers would find other suppliers.

Immediately after that trip, to avoid any finger pointing or buck passing, as he puts it, the minister called together all the major operational players for a face to face meeting in Winnipeg on May 16. The objective of that meeting was to confront the reality of our problems and to work out practical solutions very quickly.

Now we are faced with the same issue for a second consecutive year. No one can guarantee that our customers will indeed be understanding.

I would like to mention a few specific examples of the potential impact of this strike. The Canadian Wheat Board has indicated that its export program for March is 2.9 million tonnes through both east and west coast ports. This represents an estimated sales value of $511.5 million. Every week the board exports 570,000 tonnes of wheat and barley worth more than $102 million. Over the balance of the crop year we will export more than one million tonnes a month.

Every tonne not moved in March will roll over into the next month, making it more difficult to maintain the planned export program. It does not take a rocket scientist to see that the potential for lost sales from just one week of lost shipping will have a serious impact on our grain exports.

• (2125)

The wheat board has advised us that four vessels are waiting at the west coast port as we speak. Another 18 vessels will arrive this week to load 500,000 tonnes and 12 more will arrive before the end of March. Aside from the potential cost of lost sales, the charges will be significant if work does not resume immediately. No wonder the Canadian Wheat Board has asked the government to take quick action to resolve this critical situation.

On top of the effects the strike would have on wheat and barley exports, is the potential impact on our export of canola, our second largest export crop. Canada will export 4.2 million tonnes of canola seed this year worth $1.6 million. A major portion of it will pass through the ports of the west coast.

The Chairman: Excuse me. I wonder if the member is aware that other members want to speak. There is a relatively short time left. Had the parliamentary secretary finished his remarks or was he just about to finish them?

Mr. Bevilacqua: Mr. Chairman, since the 1970s, Japan has been our largest and most reliable customer of canola seed. In fact, canola has become the predominant vegetable used in Japan. While the Japanese prize the quality of the Canadian crop, they also place a premium on reliability. Japanese crushers purchase canola on the basis of just in time delivery and inventory approach. Needless to say, strikes and other work stoppages play havoc with this system.

With the experiences of the last few years, Japanese crushers are becoming quite concerned about our ability to reliably ship the quantities of canola that are required when they are indeed required.

Last week, the Parliamentary Secretary to the Minister of Agriculture and Agri–food met with the chairman of the international affairs committee of the Japanese Oil Seed Processors Association. He was seeking assurances that there would be no disruption in our oilseed shipments. The parliamentary secretary assured him that the government would act decisively to ensure that any disruption would be very minor.

For this and many other reasons, I ask this house to support the action taken by the Minister of Labour.

Some hon. members: Hear, hear.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Chairman, I am astounded with what I hear tonight. I am totally astounded and ashamed to stand in this House and say what I have to say tonight. Yes, ashamed that I have to say it.

For a whole week I have tried to get some communications through to the port of Montreal. Today I am told that I am such a second class citizen that they will not even listen to me in this House.

I have a constituent who has $200,000 worth of sunflower seeds locked up in the port of Montreal and he cannot get them out without even trying to ship them. The bank manager is talking about foreclosing on him and we are joking around here about the lives of people.

• (2130)

When the House passes legislation where criminals can dictate to the judicial system and get paid for inconvenience and the people in my constituency have to go hungry, something is wrong in the House.

An hon. member: He is talking about the last strike. What about this strike?

Mr. Hoeppner: The member can scream and I can scream too. This is serious to me. I told my constituent today that I would help him to take legal action whenever he can to get this mess cleaned up.

We have tried to work with the government. We have tried to work with the minister to get that stuff out of there so that it will not be ruined. However what are we doing? Nothing, absolutely nothing. That is the type Parliament that has come about. I am ashamed. I feel like taking my citizenship and moving out of the country if this is the kind of justice we have. It is time that we change it.

My uncle was shot before a firing squad in the Soviet Union to get out of a system like that and that is what we are coming to. We had better realize it. When a man who is depending on putting food on his table cannot get his product out of the yard, something is wrong.

The Chairman: Pursuant to the order made earlier this day, it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of the committee of the whole stage of the bill now before the House.

[*Translation*]

The question is on amendment to clause 2. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Chairman: All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Chairman: All those opposed will please say nay.

Some hon. members: Nay.

The Chairman: In my opinion, the nays have it.

Some hon. members: On division.

(Amendment negatived.)

Mr. Duceppe: Mr. Chairman, if there is unanimous consent, I propose that we apply the result of this vote to all the amendments proposed.

The Chairman: Is there consent?

Some hon. members: Agreed.

The Chairman: Consequently, the amendments to clauses 6, 8, 9, 10 and 11 are negatived.

Shall clause 2 carry?

Some hon. members: On division.

(Clause agreed to.)

The Chairman: Shall clause 3 carry?

Some hon. members: On division.

(Clause agreed to.)

The Chairman: Shall clause 4 carry?

Some hon. members: On division.

(Clause agreed to.)

The Chairman: Shall clause 5 carry?

Some hon. members: On division.

(Clause agreed to.)

The Chairman: Shall clause 6 carry?

Some hon. members: On division.

(Clause agreed to.)

The Chairman: Shall clause 7 carry?

Some hon. members: On division.

(Clause agreed to.)

• (2135)

The Chairman: Shall clause 8 carry?

Some hon. members: On division.

(Clause agreed to.)

The Chairman: Shall clause 9 carry?

Some hon. members: On division.

(Clause agreed to.)

The Chairman: Shall clause 10 carry?

Some hon. members: On division.

(Clause agreed to.)

The Chairman: Shall clause 11 carry?

Some hon. members: On division.

(Clause agreed to.)

[*English*]

The Chairman: Shall clause 12 carry?

Some hon. members: Agreed.

An hon. member: On division.

(Clause agreed to.)

The Chairman: Shall clause 13 carry?

Some hon. members: Agreed.

An hon. member: On division.

(Clause agreed to.)

The Chairman: Shall clause 14 carry?

Some hon. members: Agreed.

An hon. member: On division.

(Clause agreed to.)

The Chairman: Shall clause 15 carry?

Some hon. members: Agreed.

An hon. member: On division.

(Clause agreed to.)

The Chairman: Shall clause 16 carry?

Some hon. members: Agreed.

An hon. member: On division.

(Clause agreed to.)

(Clause 1 agreed to.)

The Chairman: Shall the schedule carry?

Some hon. members: Agreed.

An hon. member: On division.

(Schedule agreed to.)

The Chairman: Shall the title carry?

Some hon. members: Agreed.

An hon. member: On division.

(Title agreed to.)

(Bill reported.)

• (2140)

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.) moved that Bill C–74 be concurred in.

(Motion agreed to.)

Mrs. Robillard moved that the bill be read the third time and passed.

She said: Mr. Speaker, it is with conviction that I rise again in this House to introduce the 1995 legislation on west coast port operations. As you know, the purpose of this bill is to end the current dispute between two parties.

I have already explained at length all the details surrounding this dispute which, in my opinion and in the opinion of many Canadians, cannot go on. Until now, the government had pro-

vided all the assistance it could to help solve the problems. First, we appointed a conciliator.

Then we appointed a conciliation commissioner, whose report was submitted to the parties. Unfortunately, we face a situation which requires government action. Believe me, it is with regret that, as the Minister of Labour, I must table this bill before the members of this House. It would be much better—and we all know it—for the parties to negotiate a collective agreement together, and that is our basic policy.

However, all port operations on the west coast have now come to a stop and the economic consequences are such that the government must act. This bill provides for the immediate resumption of operations and the appointment of a mediator–arbitrator, who, I hope, will bring the parties closer.

In closing, allow me to thank all the members of this House for their co–operation on this bill. This shows, I think, that we all care about this country's economic development.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, you will, however, understand that my speech will differ from that of the Reform Party, even though we are both speaking in opposition.

I would like to say that it is always difficult moment for Parliament when its elected members are obliged to adopt special legislation to force people back to work, since we agree, hope and say that, in the workplace, there is nothing better than a collective agreement that is wanted, negotiated and implemented by the parties.

Therefore, I believe that the Minister of Labour cannot be particularly proud of starting her career here in this House, by imposing special legislation. She will be quite free in the coming days to go down in history by allowing us to adopt anti–strikebreaker legislation, legislation sought by the official opposition from the time there were eight of us, and we continue to think that this must be done.

• (2145)

Therefore, we are saying to the minister that the best way for her to continue her work as Minister of Labour is not to introduce more back to work legislation, but to follow in the footsteps of one of the greatest Quebec democrats, a person she should seek to emulate, I am referring, of course, to René Lévesque who gave the province of Quebec an effective anti–scab legislation.

Since I mentioned anti–scab legislation, I should remind you that in a province or country—the Labour Minister in nodding in approval to the position of the Bloc—there is a direct link between such a legislation and the length of strikes and also, I should say, healthy labour relations.

This is what we are saying to the minister: it is unbelievable that, in 1995, no anti–strikebreaking legislation is in place at this federal level of intervention. I know that she realizes such legislation is necessary and wants to put it in place. She said herself that preliminary consultations were under way and she was committed to consulting the parties. So, she will have the chance in the days to come to go down in history as having given this country an anti–strikebreaking act.

With this in mind, as the hon. member for Laurier—Sainte–Marie said and the hon. member for Kamouraska—Rivière–du–Loup after him, we, the official opposition, fully grasp what a shame it is to have a lock–out bring the West Coast to a standstill. We know how important port activity is to the economy of the region. That is why we hope that a back to work agreement can be signed.

The difference between the labour minister and ourselves is the fact that we do not want a back–to–work order at any cost. Our concern with this bill is that it will shamelessly resort to arbitration. The minister should be consistent with herself. She was very pleased to tell us earlier that the discussions have resumed, that both parties have come back to the negotiation table, although their efforts might be a bit timid. She even linked the resumption of the negotiations to the statement she made in the House during question period.

We should be pleased about the efforts, albeit timid, made by both parties to resume negociations. We take comfort from the fact that, with the resumption of the negotiations, we might be able to avoid arbitration and rely on the mediation process.

It is certainly not because we are naïve or overly tolerant that we in the official opposition continue to believe that mediation would have been possible. Why would mediation have been possible and why is it desirable? Because in the delicate balance of labour relations, arbitration means acting unilaterally. A third party outside the dispute is given the extraordinary power to make decisions on the application and the validity of each clause of a collective agreement. We think that this is not desirable, that the use of arbitration where a person will be able to impose a collective agreement that will be effective until December 1996 is not desirable. I will say it again, we would have preferred being able to continue the mediation process.

A link should also be made with another fact. We believe things would have been different if we had had anti–scab legislation in Ottawa. This debate provides us with an opportunity to do something. The hon. member for Kamouraska—Rivière–du–Loup reminded us that this is the second time the House passes special legislation concerning operations at the west coast ports.

At the time of the first legislation, the present labour minister had other things on her mind, and I am sure she had no idea that she would some day be the member for Saint–Henri—West-

mount in the House of Commons. But she must not forget that, at that time, we were already debating back to work legislation.

Why is it that her government, a government that she obviously supports, did not take the opportunity of that first labour dispute to set up a commission of inquiry on labour relations that were already a cause for concern.

• (2150)

Why did we wait so long? Why did we not learn from that first labour dispute and the passing of special legislation several months ago. It is because of all this deteriorating process that we are puzzled by the action taken by the minister.

I want to take this opportunity to really invite my colleague to make an impression as Minister of Labour. We all know that she is a determined and brilliant woman and that she is able, if she wants to, to take advantage of this labour relations review process to bring the parliamentarians to participate in this debate on whether or not we should have an anti–scab legislation at the federal level. We believe so and we have an opportunity to evaluate a model which is the one established by the Quebec National Assembly.

The Minister of Labour, who is a few years older than I am, will recall that this anti–scab legislation has proven right in Quebec, which used to be the champion for lost hours and days of work. The anti–scab legislation played a crucial role in pacifying labour relations. This is what we must aim at in the days to come.

We have to keep in mind, because it is important to do so, that we have two classes of workers, since three provinces have passed anti–scab legislation: Ontario, British–Columbia and Quebec. Thus, this is to say that some 60 to 65 per cent of the Canadian workers are protected by anti–scab legislation. Therefore, there are two classes of Canadians. This situation is far from healthy or acceptable.

To conclude, I want to say to the labour minister that she and I have something in common. Like her, I represent here a Montreal constituency. As hon. members for Montreal, we are obviously concerned with the continuing situation in the port of Montreal.

The minister says she is confident that we can avoid resorting to special legislation and that a negotiated agreement can be reached. I am sure the parties involved will take advantage of the mediation offer aimed at a negotiated settlement, so that we can have a collective agreement that is desired.

To avoid the kind of situation we are now in, it is important to maintain the optimum conditions for dialogue. However, these optimum conditions, that we would like to see for Montreal, can obviously not be maintained on the West Coast, because if the bill is passed, working conditions, non–monetary clauses as well as salary clauses, will be imposed by arbitration.

The Reformers' impatience is hard to understand, because it must be said that they have been behaving in a very unruly manner tonight, and I am sure that my colleagues will agree with me because everyone knows that the members of the Reform were unruly.

In conclusion, we agree with the return to work, but we would like to see ideal conditions for dialogue maintained, which is incompatible with a special bill.

[*English*]

The Deputy Speaker: Finally, with apologies, the hon. member for Lethbridge.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I appreciate the opportunity to speak on third reading of Bill C–74.

We want to move those ships out full of western Canadian grain. I appreciate the member from Winnipeg's indicating that to this assembly.

For many years in my period of time as a member of the Alberta Legislature there were numerous opportunities, I remember about 12, where governments of Canada, both Liberal and Conservative, did not have the gumption or the aggressiveness to deal with this problem.

• (2155)

We in Alberta moved resolution after resolution asking the federal government to pass legislation to put the workers back to work. The governments did it but to a major cost to western Canadian farmers over and over again.

A year ago it cost us a lot of money, $35 million in demurrage and penalties. The Alberta Wheat Pool tells us there was $100 million in terms of loss to the Canadian economy and $450 million in lost sales for grain farmers. That is provided by the figures from the Canadian Wheat Board.

Many dollars were lost. Even in this short time that the workers were off work, we suffered serious losses. One of my colleagues illustrated in the House earlier that the strike cost one of our alfalfa shippers $250,000 because they could not get it off the boat and into the marketplace. That market was lost to some American producers. I do not think that is fair.

I understand the minister and the government were advised several days ago that an agreement could not be reached. Why did we not bring legislation into the House so that if a strike did occur we could act immediately and put the workers back to work?

This is the first step in a series of responsibilities the House will have. We have not settled the matter with regard to Montreal. My colleague, the member for Lisgar—Marquette, has illustrated that point very well on how one of his producers

or processors in that province of Manitoba is affected in a very significant way. We have to deal with that. Why did we not deal with that tonight and get it over with for the industry?

We do appreciate that the minister has brought the legislation before this assembly. We give her full credit and compliment her for that and compliment the composition of the legislation as it is. It has met one of the needs of western Canadians. The minister deserves that credit.

I also on behalf of my colleagues want to give the minister credit for the fact that she and the government intend to set up a commission or some body to look at ways we can deal with this problem on a basis that does not require legislation or a knee–jerk reaction every time workers walk off the job or there is a lockout, as is the case at the present time. I give the government full credit for that.

In all the years federal governments have dealt with this issue they have always brought legislation in to put the workers back to work or prevent or stop a lockout and they stopped there. They were afraid to challenge the unions on this very basic question. They were afraid to do what they thought would disturb the collective bargaining process and they wanted to maintain the integrity of that process.

Western Canadian farmers face a very unique situation. It is different. We as farmers in the west are victims of the collective bargaining process. We pay the bills. When there is demurrage to be paid we pay it as farmers. When there is loss of sales we pay it as farmers. Whatever the losses are we are the ones who pay. It is not management. It is not the unions. They do not pay any of it. There are no losses on their part. It is the person who ships the raw product, grain and other agricultural products, or our processed products into the export market. We are the victims.

The collective bargaining process as it now stands is completely unfair. The right to strike in that process does not fit that circumstance at all.

• (2200)

There must be a different approach. I have recommended in private members' Bill C–262 that we look at a process by which there is binding arbitration and that each party provides to the arbitrator a final position.

The arbitrator then would choose one position or the other and at that the work continues and there is an agreement for both of the parties. That is one of the options we should look at. Maybe there are other options.

The minister has indicated there will be a commission. The matter will be studied. I hope that is not a diversion or a delay. I hope the minister and Prime Minister are very sincere that there will be recommendations that will come into either the June portion of this session or into the fall session of the House whereby we deal with the problem once and for all.

It can be done without violating what we talked about, the collective bargaining agreement process by which management and employees can settle their various disputes.

Agriculture is different from General Motors, for example. General Motors has management. Its employees produce automobiles. If the automobiles are not manufactured and sold, management and employees are affected. It does not affect the other people beyond that. That is the very basic difference in terms of these two processes.

We intend to support this legislation. We want the government to support it and move quickly on it. We want it to deal with the other circumstances affecting the export of agriculture and other export products. We want that to happen as quickly as possible. If it needs to be done tomorrow let us do it tomorrow and not wait until there is a major crisis in our economy.

We are looking forward to some major changes in legislation this fall that will deal with this problem on a long term basis.

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, I would like to pick up on something I was speaking about earlier but which was exacerbated by a speech given by a Liberal member who spoke about the national interest.

In the context of talking about the national interest, a double standard exists between how we regard labour when it pursues its economic self–interest and how we regard capital when it pursues its economic self–interest.

When money markets act in ways that hold the country hostage, we do not take the same offence as some members take when a trade union is said to be holding the economy hostage in its economic self–interest.

What I was pleading for was that there not be this double standard that if we want to hold that everyone should be accountable to the common good or to the national interest, we have to do that with some uniformity.

We cannot say that trade unions or working people should be accountable to the national interest but the money marketeers, the currency traders and the money speculators can do what they like, act in their own economic self–interest and that our only role as a Parliament is to appease them, ask them what they want next, do whatever they want so that they will invest in our country. We need to to stop having this double standard.

Picking up on the comment that the Liberal member made about national interest, this is also an interesting concept given globalization and free trade agreements.

Why are working people asked to subscribe to a notion called the national interest? I believe in the national interest, but when we ask the same thing of the corporate sector we are accused of being romantic. We are accused of not being with it. We are accused of not understanding that there are no borders any more.

Investors, capital and corporations move all around the world doing whatever they want. Anyone who wants to talk about the national interest, except when they are trying to morally intimidate working people into giving up their economic self–interests, are called romantic. Why is that? Why is there this double standard when it comes to working people? I do not understand it.

I think ordinary Canadians sense there is something fishy when they are always supposed to act in the national interest but the people who can play with interest rates and the money markets and who can look around the planet for cheaper labour markets or weaker environmental regulations or weaker labour laws, that is okay for them. They can seek their economic self–interests; that is just called finding a good investment climate. However, when working people want to do the same thing, shame on them. They are not taking the national interest into account.

I say, shame on this House for accepting that double standard.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

(Motion agreed to, bill read the third time and passed.)

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I believe you will find unanimous consent for the following motion:

That on Thursday, March 16, 1995, when proceedings pursuant to Standing Order 38 have been concluded, the motion to adjourn the House shall be deemed to have been withdrawn and the sitting shall be suspended until such time as the Chair may reconvene the sitting for the sole purpose of a royal assent;

That immediately upon return from the royal assent, the House shall be adjourned until the next sitting day, provided that if no royal assent has been held by 9 a.m. on Friday, March 17, 1995, the House shall be reconvened for the sole purpose of being adjourned until 10 a.m. on that day.

The Deputy Speaker: Is there unanimous consent to that, colleagues?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: There is not unanimous consent to the motion.

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I think a formal motion of adjournment is required pursuant to the order of the House earlier this day. Therefore, I move:

That this House do now adjourn.

The Deputy Speaker: Is there unanimous consent to that motion?

Some hon. members: Agreed.

(Motion agreed to.)

The Deputy Speaker: The House is adjourned.

(The House adjourned at 10.09 p.m.)

HOUSE OF COMMONS

Thursday, March 16, 1995

The House met at 10 a.m.

Prayers

[*English*]

BOARD OF INTERNAL ECONOMY

The Speaker: I have the honour to inform the House that Mr. Jim Silye, member for the electoral district of Calgary Centre, has been appointed a member of the Board of Internal Economy in place of Mr. Stephen Harper, member for the electoral district of Calgary West, for the purposes and under the provisions of chapter 42, first supplement of the Revised Statutes of Canada, 1985, entitled "an act to amend the Parliament of Canada Act".

* * *

[*Translation*]

PRIVILEGE

BUDGET SECRECY—SPEAKER'S RULING

The Speaker: My colleagues, I would now like to rule on a question of privilege raised on Friday, March 3, 1995 by the hon. member for Sherbrooke, notice of which was given the previous day just after Question Period. I would like to thank the hon. member for raising this matter, as well as the chief government whip and the hon. members for Berthier—Montcalm, Kindersley—Lloydminster, and Kingston and the Islands for their contributions to the discussion. I would also like to thank the hon. member for Guelph—Wellington for her intervention on this matter on March 13, 1995.

[*English*]

In his question of privilege, the hon. member for Sherbrooke alleged that there had been a leak of the budget prior to its presentation by the Minister of Finance on February 27, 1995. To support his claim, the member drew the attention of the House to the March 2, 1995, edition of the *Hill Times*, and more specifically, to a comment made by the hon. member for Guelph—Wellington found therein. In response to the question "Is there too much secrecy surrounding the budget?" the hon. member for Guelph—Wellington is quoted as having said: "I don't think so. There were some MPs who were told beforehand if major cuts were coming to programs in their ridings. They asked for that in caucus so they could prepare to answer questions". The hon. member for Sherbrooke then argued that if certain members had "privileged, secret information before budget day" this would be to the detriment of other members and would hinder them in the performance of their duties. The hon. members for Berthier—Montcalm and Kindersley—Lloydminster echoed the member's sentiments and concerns about a certain group of members being privy to information not available to other members.

[*Translation*]

The procedural issue before us is not a question of budget secrecy per se. Several members cited citation 31(5) of Beauchesne's Sixth Edition to support the contention that budget secrecy was and is a political convention and not a matter to be dealt with under the guise of parliamentary privilege. Indeed, several members emphasized that what was really at issue was the implication of prior knowledge of the contents of the budget by certain members, and I emphasize the word members, and not others. The questions we must therefore ask are, at first glance, does there appear to be a breach of the rights of certain members, and has something occurred which has impaired the ability of members to carry out their duties as members?

[*English*]

As I have said on numerous occasions, we have a tradition in the House which dictates that we accept the word of an hon. member as truth. Taking the quote of the hon. member for Guelph—Wellington as represented by the *Hill Times*, one might be inclined to agree that there was the appearance that certain members had been given confidential information not available to others. However, in light of the comments made by the hon. member for Guelph—Wellington on March 13, 1995, and the text of her memorandum from which the hon. whip read and later tabled, I accept that the hon. member for Guelph—Wellington was referring to the announcement made outside the House by the President of the Treasury Board on February 21 regarding measures for the downsizing of the federal public service and not to a prebudget disclosure.

[*Translation*]

Consequently, I cannot conclude that members of the House have in any way been hindered in carrying out their parliamentary duties. Hence, I do not find a prima facie case of breach of privilege.

I thank all hon. members for their contributions.

ROUTINE PROCEEDINGS

• (1010)

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 18 petitions.

* * *

COMMITTEES OF THE HOUSE

INDUSTRY

Mr. Paul Zed (Fundy—Royal, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the third and fourth reports of the Standing Committee on Industry, pursuant to the order of reference on Wednesday, June 15, 1994.

Your committee has considered Bill C–43, an act to amend the Lobbyists Registration Act and to make related amendments to other acts. Your committee has agreed also to report it with amendments and to provide as well a substantive report which explains the amendments being reported and why other possible changes were not adopted.

I would also like to point out that the third report, which provides explanations and supplementary recommendations, breaks new ground for committees reviewing bills. Your committee felt that such a report was necessary, given that Bill C–43 was referred before second reading, thus broadening considerably the scope of the review that was undertaken.

The 13 amendments that have been set out in the fourth report would, in the view of your committee, significantly strengthen an already good bill.

I would like to thank members of the committee for working together to meet the new responsibilities involved in considering a bill before second reading. The results I believe speak for themselves and deserve serious consideration by all sides of the House.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, as the critic for the official opposition on the matter of lobbyists, I am pleased to rise very briefly today, following the tabling of the report of the majority, to inform Parliament that I have tabled, with the majority report, a dissenting opinion on this bill.

With all we have heard regarding the management of the affairs of government, I feel the profession of influence peddlar, as it is called in the business, must be regulated. Legislation was needed to re–establish a relationship of trust between the government and the people.

I thought that, with the campaign commitments the Liberals made in the last election, transparency would be the watchword within Parliament thanks to this bill. I also thought that the new parliamentary procedure, which was supposed to permit in–depth debates and improve the role of members of Parliament, would enable me to amend Bill C–43 in keeping with taxpayers' interests. I was fooled, like many others. The procedure failed to live up to promise as did the wording of Bill C–43, and this is why I submitted a dissenting opinion, which is appended to the report. I wanted to let people know of the two major failings of this bill.

* * *

[*English*]

BILL C–74

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 56(1), I move:

> That, on Thursday, March 16, 1995, when proceedings pursuant to Standing Order 38 have been concluded, the motion to adjourn the House shall be deemed to have been withdrawn and the sitting shall be suspended until such time as the Chair may reconvene the sitting for the sole purpose of a Royal Assent;
>
> That, immediately upon return from the Royal Assent, the House shall be adjourned until the next sitting day;
>
> Provided that, if no Royal Assent has been held by 9 a.m. on Friday, March 17, 1995, the House shall be reconvened for the sole purpose of being adjourned until 10 a.m. on that day.

• (1015)

The Deputy Speaker: Would all those members who oppose such a motion please rise. The requirement being 25, and as only two members are standing, therefore, the motion is carried.

(Motion agreed to.)

* * *

PETITIONS

DANGEROUS OFFENDERS

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I rise again to present another petition in this course of action undertaken on behalf of constituents who wish to halt the early release from prison of Robert Paul Thompson.

The petitioners I represent are concerned about making our streets safer for our citizens. They are opposed to the current practice of early release of violent offenders prior to serving the full extent of their sentences.

The petitioners pray that our streets will be made safer for law–abiding citizens and the families of the victims of convicted murderers.

CANADIAN WHEAT BOARD

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I have a number of petitions.

The first two petitions are in regard to the Canadian Wheat Board. They request that Parliament continue to give the Canadian Wheat Board monopoly powers in marketing wheat and barley for export.

The other petition goes beyond that and requests that the Canadian Wheat Board marketing monopoly powers include all grains and oilseeds.

The petitioners are from my home riding of Yorkton—Melville.

TAXATION

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): The next group contains 38 petitions again from my riding but also from other ridings in and around Saskatchewan.

The petitioners state that the Saskatchewan government is on the verge of balancing its budget, allowing Saskatchewan taxpayers to see the light at the end of the high tax tunnel. Therefore, they ask and request Parliament to reduce government spending instead of increasing taxes.

GUN CONTROL

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): The last group contains 28 petitions. They come from Ottawa and Toronto and many other areas in Ontario, Saskatchewan and Manitoba.

The petitioners ask that Parliament support laws which will severely punish all violent criminals who use weapons in the commission of a crime. They support new Criminal Code firearms control provisions that recognize and protect the right of law–abiding citizens to own firearms. They support legislation which will repeal and modify existing gun control laws which have not improved public safety and have proven not to be cost effective and have proven to be overly complex as to be ineffective and/or unenforceable.

ASSISTED SUICIDE

Mr. Rex Crawford (Kent, Lib.): Mr. Speaker, I am honoured once again to rise in the House pursuant to Standing Order 36 to present a petition on behalf of constituents of the riding of Kent. They pray that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide, or active or passive euthanasia.

GRANDPARENTS RIGHTS

Mr. Jim Peterson (Willowdale, Lib.): Mr. Speaker, this petition from the constituents of Willowdale asks Parliament to amend the Divorce Act to include provisions similar to article 611 of the Quebec civil code. It states that in no case may a father or mother without serious cause place obstacles between the child and grandparents. Failing agreement between the parties, the modalities of the relations are to be settled by the court. They request Parliament to further amend the Divorce Act to give a grandparent who is granted access to a child the right to make inquiries and to be given information as to the health, education and welfare of the child.

HUMAN RIGHTS

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, I have the privilege to introduce three different petitions today.

The first petition is regarding Bill C–41. People from my riding and around the province of B.C. have asked that Parliament not pass Bill C–41 and that section 718.2 as presently written not include the undefined phrase sexual orientation in that bill. I am happy to concur with that.

• (1020)

TAXATION

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the next petition was sent to me by firefighters in my riding. They ask and pray for Parliament to allow the tax exemption status to rise from $500 up to $1,000 for their equipment. I am happy to support that measure as well. It has been stuck at that same level for some years.

DANGEROUS OFFENDERS

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the last petition I have the privilege to present was signed by over 1,000 people from my constituency who are outraged over the murder of Melanie Carpenter, an event that occurred I am sad to say within my own constituency.

This petition calls upon Parliament to permit the use of post–sentence detention orders and to pass Bill C–240 which would limit the freedoms of high risk offenders. If Parliament hears this petition, innocent people like Melanie Carpenter would still be alive and and dangerous ones like her murderer would remain behind bars.

The Deputy Speaker: The hon. member may not have been here yesterday when the Speaker invited members not to say whether or not they agree or disagree with the petitions.

YOUNG OFFENDERS ACT

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, it is a pleasure to rise today to present a petition that is part of a larger petition of almost 64,000 signatories. This petition contains approximately 18,000 signatures of citizens in and around Edmonton Southwest who are asking that the Young Offenders Act be changed and strengthened so that it would have the effect of deterring criminal behaviour by young people.

There are many citizens across the country who feel that the Young Offenders Act does not do what it was intended to do. These 18,000 citizens of our country are requesting the Parliament of Canada to strengthen the Young Offenders Act.

It is my pleasure to introduce this in the House today.

CRUELTY TO ANIMALS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, it is my privilege pursuant to Standing Order 36 to present a petition to the House of Commons. The petition contains 8,000 signatures collected by representatives of the Animal Defence League of Canada.

The petitioners note that individuals convicted of wilfully causing pain and injury to an animal presently face maximum penalties of six months in jail to two years prohibition from owning an animal and/or a maximum find of $2,000.

The petitioners note also that in practice they do not know of any maximum penalty ever having been issued no matter how atrocious the offence. The petitioners state that they find this abhorrent and unacceptable when animals are not appropriately dealt with by our laws.

Therefore, the petitioners call upon the Government of Canada to enact harsher penalties for offences against animals and establish an education program for judges to help them understand society's abhorrence and condemnation of acts of cruelty to animals.

DRUG PRICES

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, I have three petitions to present today pursuant to Standing Order 36.

The first petition pertains to Bill C–91, the drug patent legislation. The petitioners who have signed this petition are from my district of Regina—Lumsden in Saskatchewan as well as the cities and towns of Saskatoon, Borden, Hafford, Speers, Nipawin.

These petitioners are unhappy with the 12 per cent annual increase in prescription drugs since this bill was passed. They are asking that Bill C–91, which has placed financial burdens on them and health care programs across this country, be repealed. They request the House of Commons to do same.

PAROLE

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, my second petition is signed by petitioners from the Saskatchewan communities of Kelliher, Silton, Watrous, Raymore, Punnichy, Ituna, Simpson, Foam Lake and other locations.

Under section 745 of the Criminal Code of Canada, convicted murderers sentenced to life imprisonment without chance of parole for 25 years are able to apply for a review after 15 years. They are calling for the House of Commons to repeal section 745 of the Criminal Code of Canada.

SENATE

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, my third and final petition this morning deals with the Senate.

The petitioners are from my constituency of Regina—Lumsden as well as from Pilot Butte, Saskatchewan. In view of the fact that the Senate costs approximately $60 million a year and in their view the purpose of the Senate is useless, they are asking the House of Commons to repeal sections 41 and 42 of the Constitution Act which would in effect abolish the Senate.

• (1025)

YOUNG OFFENDERS ACT

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I rise today to present a petition from my constituents containing 2,700 names, which is also part of a larger petition prompted by the murder of Barb Denelesko.

The petitioners state that Canadian citizens from coast to coast are calling for changes to the Young Offenders Act. They want an act serious enough to deter young people from committing crimes and tough enough to provide real justice. In its current format the Young Offenders Act is not meeting these objectives. The petitioners request that the Government of Canada review the Young Offenders Act of 1992 and amend it accordingly.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I think you would find unanimous consent for the following motion. I move:

That notwithstanding any order of the House, that any recorded division to be taken today during Private Members' Business be deferred until Tuesday, March 21 at 5.30 p.m.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

(Motion agreed to.)

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY—ECONOMIC EQUALITY OF WOMEN

Mrs. Christiane Gagnon (Québec, BQ) moved:

That this House denounce the government for its insensitivity and its inaction regarding the adoption of concrete measures to promote the economic equality of woman in federal areas of jurisdiction.

She said: Mr. Speaker, I have the honour today of tabling a motion regarding an issue related to International Women's Day.

In my opinion, the motion is urgent, given the government's recent actions. The motion is as follows: "That this House denounce the government for its insensitivity and its inaction regarding the adoption of concrete measures to promote the economic equality of women in federal areas of jurisdiction".

I would have preferred not to have to table such a motion before this House, but its goal is to make my colleagues and Canadians and Quebecers aware that Liberal decision–makers have failed to act on the fine words bandied about within these four walls.

A year ago, I tabled my first motion on the issue, which stated that, firstly, it was important to recognize the principle of economic equality between women and men, and, secondly, that measures must be implemented to guarantee equity in employment, wages and living conditions for women. It was most unusual and remarkable, but government members supported the official opposition's motion.

However, I must admit that they stopped at the first part of the motion and have never gone on to the second. How else can the current situation be explained with the same people in play? How else can we explain the decisions recently taken by this government which purports to be concerned with the economic inequality of women?

How else can we explain the decision to go ahead with the cuts to grants for women's rights organizations which were announced by the previous government? All the while, the Minister of Finance tried to reassure us regarding this issue and, just before the last budget, stated that his government was fully aware of the issue, that

the last budget proved it and that the government intended to prove it again in the next.

I recall that the minister then mentioned the important role that organizations play in promoting women's rights and in improving their living conditions.

How can we explain that, in two weeks, the government will cut funding to the initiative against domestic violence, which finances pilot projects, research, public awareness and education campaigns, etc.?

• (1030)

And yet, the Secretary of State declared last March 3: "Violence against women, sexual harassment, inequalities and inequities in employment opportunities, the wage imbalance and gender discrimination must all be addressed. I am pleased the government is continuing to push forward on all these fronts".

Everyone knows that unfortunately little progress can be made without money. How else can we explain the government's policy of tying financial compensation due a woman to her husband's income? Both these trends are obvious in the proposed unemployment insurance and old age pension reforms. And yet, the Minister of Human Resources Development stated last October: "We are putting forward major proposals concerning the problem of family work and the manner in which part–time workers, the majority of whom are women, can be given a certain degree of protection with respect to unemployment insurance and other income security programs".

Since when is a woman's economic equality acquired through dependence on her husband? Women do not accept this approach, nor should they. What explanation is there for the complete absence of references to child care services in the last budget, when the same minister stated on that same date that in the green paper consideration was being given to major child care programs and a national strategy, requiring funding amounting to some 700 million dollars. Where are the budgets needed to create new day care spaces, where are the transfers Quebec is calling for in order to develop its own network? Why is there no interest in finally resolving the thorny issue of pay equity in the public service, when this issue has languished before the courts for several years now, depriving thousands of women of money that is rightfully theirs?

And yet, the President of the Treasury Board said last June: "As an employer we are concerned about pay equity. We would like to resolve this problem as quickly as possible, in order to cut short the long drawn out legal proceeding instituted by the preceding government". Noble words! How does this explain the offensive transfer carried out by the Minister of Finance onto the backs of the provinces, the inevitable result of which will be

either a reduction in health and education services and social assistance benefits, or a tax hike?

Yet, on February 8, the Minister of Finance stated: "We are fully aware of the need to deal fairly with women's needs". Does the minister sincerely believe that fairness towards women lies in reducing their standard of living? And how does one explain the Secretary of State for the Status of Women's latest decision to abolish the Canadian Advisory Council on the Status of Women?

The main role of this organization was to do research and disseminate information on problems affecting women. It also played the role of government watchdog by analyzing the economic impact of government actions and decisions on women. Yet, in the same speech in which she announced the abolition of this organization, the Secretary of State repeated the Prime Minister's comments: "For its part, the Canadian government has taken up the challenge. Women's equality is not a matter of special rights or interests. It is a matter of social and economic justice. It is a matter of good government".

The abolition of CACSW is not an example of good government that will help women meet the challenge of economic equality; in fact, it is just the opposite. Women's economic status is not improving. They are the first victims of the massive cuts in the federal public service. Some 45,000 jobs will be lost; and women will be hit the hardest. They are still earning only 72 per cent as much as their male colleagues. In 1920, they were making 50 per cent as much as their spouses. They still account for the majority of single parents, poor people, people living in inadequate housing, and victims of family violence. Women expect measures that will finally allow them to achieve the economic equality they are entitled to.

On March 8, 1994, the Secretary of State said this: "For the first time we have had a government sensitive to the different impact of programs and policies on women. It is a government willing to ensure that gender perspective is taken into consideration in all the proposed changes whether they are fiscal, social or juridical in nature". In fact, the decisions and actions taken clearly show this government's insensitivity to the inequality still plaguing women in Canada and Quebec. It is also obvious that this government has no intention of taking the necessary corrective measures.

• (1035)

It is obvious that this government truly deserves the severe criticisms levelled against it today by members of the opposition on behalf of Canadians and Quebecers. There is an urgent need to act instead of merely indulging in rhetoric. Is "Towards Equality" not the slogan adopted by the Canadian government to promote the world summit on women to be held in Beijing in September 1995? I think that this government is off on the wrong foot. It will go there to brag about what it has failed to do at home.

The Deputy Speaker: Questions or comments? No one? Did I hear correctly that you will share your time? Agreed.

The hon. member for Saint–Hubert.

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, we know full well that, each time the issue of status of women is raised, we lose a large part of our audience. It is not that too much time is devoted to this subject in this House. It is just that many people do not want to hear what we have to say and, more than anything else, they refuse to take action.

I will speak on the status of women anyway, and the status of women in the legal profession in particular. In Quebec, you can be a lawyer or a notary.

I will focus on women lawyers because, unfortunately, a committee has yet to be appointed to look specifically into the experience of women notaries in their everyday practice. All our statistics on women lawyers were provided to us by the Quebec bar association.

In the legal profession, women experience basically the same thing women experience in any area in which they work; by "work", I mean work outside of the home, of course.

If there has been such an influx of women on the labour market, outside of the home, we know this is due to a large extent to socioeconomic factors. It became necessary for women to help maintain the family income. This has been a determining factor.

In 1951, women accounted for less than 25 per cent of the Canadian labour force, as compared to 58 per cent of adult women in 1991. By far the biggest increase in the labour force participation rate occurred among women with young children, the majority of whom have full time jobs.

Women who, by necessity or by choice, head for a career in law face many difficulties inherent in this line of work. The dysfunctional relationships with male colleagues, the under–representation on the bench and the limited number of female teachers in our law faculties are but a few of the symptoms of a serious problem which persists in a world which claims to be eliminating injustice and unfairness.

Women are now part of the labour force, but female jurists form a distinct group. In the public's eye, we are perceived as being privileged. Yet, to become a disciple of Themis, a woman must overcome many obstacles which are not related to her status as a jurist, but to her status as a woman.

The Quebec Bar Association's committee on women lawyers, to which I alluded earlier, took a close look at the issues confronting female lawyers. Unfortunately, the chamber of notaries does not have a similar committee. A poll was conducted among women lawyers and the findings were released in

1992. Those findings are very instructive. They clearly show the obstacles which we must face not just as jurists, but also as women.

In the five years previous to the poll, 71 per cent of female lawyers experienced problems in their vocational practice. It is important to point out that the situation of the majority of these women did not change over that period, whether we are talking about hiring policies, relations with male colleagues, judges and clients, parental obligations, working conditions in general, or career advancement. In short, there is no progress.

• (1040)

Women lawyers practice a profession which was defined by men. Our laws and our precedents are set in a masculine mould. Lynn Smith, the dean of the law faculty at UBC, clearly exposed the problem in an article entitled "A system that's changing". Let me quote and eloquent excerpt: "The roots of the current legal system were planted by men. Developed at a time when women could not vote, be elected, become lawyers or be members of a jury, the law sought to protect the interests deemed important by men, given the realities of their lives as men. When the law did take women into consideration, it was solely from a male standpoint".

The most glaring example of inequity comes from the judiciary. An overwhelming number of judges appointed by the federal government, that is, the provincial superior court judges and the Federal Court judges, are men. Overall, only 134 of the 950 federal judges are women.

By interpreting the law and exerting some moral influence, judges help to shape and develop the fundamental values upon which our society is based. Women have been chronically under–represented among judges. In other words, although they have had the right to practise law for 53 years now, the proportion of women on the bench still remains under 10 per cent of all Quebec judges in the Quebec Court of Appeal, the Superior Court, the Court of Quebec or the municipal courts.

At the Quebec Superior Court, where judges are appointed by the federal justice minister, women represented 11.3 per cent of all judges, accounting for 20 of the 176 judges, as of March 1, 1995.

The situation elsewhere in the country is not much better. Madam Justice McLachlin and Madam Justice L'Heureux–Dubé are the only two women out of the nine judges appointed to the Supreme Court of Canada. They represent 22.2 per cent of these judges, while women account for 52 per cent of the Canadian population.

As of March 1, 1995, women made up only 10.3 per cent of the judges appointed to the Federal Court and the Tax Court of Canada, accounting for 8 out of these 60 judges. I could go on and on with the deplorable data concerning the Canadian women's place in the judiciary, but it would feel like preaching in the wilderness.

It is up to the Minister of Justice to appoint more women judges at the federal level. He is duty bound to review the questionable selection process where potential women candidates must have an impressive number of years of litigation practice, when we know that most women cannot consider that kind of practice because of their parental responsibilities. Such a criterion is not applied at the provincial level. It is hard to imagine how a mother could sit at a trial for three intensive weeks. Yet, it is acceptable for a father to be in the litigation practice and to devote all of his time to his work.

Men's schedules do not change much when they become fathers and have young children. However, this is not the case for women, especially those with preschoolers. Whatever their profession, mothers of toddlers are the most likely to change their work schedules.

For example, 95 per cent of career women, including women judges, work full–time, compared with 68 per cent of women who have preschool children and a similar job. Almost one third of women with preschool children and an irregular work schedule indicated that they had chosen such a schedule mainly to be able to take care of their children.

The selection process used does not reveal how a candidate is chosen and should therefore be abolished. Openness is a necessity, not a luxury.

• (1045)

If the process were more open, the Minister of Justice could no longer hide behind vague excuses like the lack of qualified candidates. If the requirements are the same for men and women, they automatically create inequities since, in general, women do not practise the profession in the same way that men do.

Treating both sexes the same way is creating inequities. The low representation of women among judges is in no way a reflection of their availability since in Quebec they now represent almost a fifth of the Bar membership eligible for the bench, that is, people who have been practising law for at least ten years. Furthermore, with the increased numbers of women who have entered the legal profession since the early eighties we can expect that the number of women eligible for appointment will increase rapidly in the next few years.

I ask the Minister of Justice: Will we see an increase in the number of women appointed to the bench proportionate to their representation among the most experienced members of the legal profession? Time will tell.

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, our colleague from Saint–Hubert raises an issue that is both sensitive and real.

Indeed, in Quebec like everywhere else in Canada, women are clearly under–represented in the judiciary. I have vivid memories of the 1984 election campaign where the leaders of the four federal parties were proposing gender equality. The govern-

ments that have been in power since that time have done nothing, or almost nothing in this respect.

My colleague from Saint–Hubert asked a question of the Minister of Justice who will obviously avoid giving an answer. I would like to ask my colleague from Saint–Hubert if, in her opinion, the federal government demonstrates the will to achieve, within a reasonable time frame, equity in appointments to the bench.

Mrs. Venne: Mr. Speaker, the answer is a simple no. Unfortunately, since the Liberal government came into office in 1993, it has not demonstrated the will to appoint more women to the bench. We just have to look at the appointments that have been made.

On this subject, I would like to add that it is often said that if women are under–represented in the system, it is because they do not want to be elected to the House of Commons, they do not want to attend the conventions, they do not want to take part in the nomination process.

I would immediately say to that that the problem is not that women do not want to participate, but rather that they often do not want to be part of a system that was established by men for men. Women are not used to fighting with each other for a position. They are used to getting a position because of their skills.

When they go to a convention or a nomination meeting and see everybody bickering on the floor, they are very uncomfortable. That is why there are not too many women in politics.

I just wanted to add this observation to explain that it is often for that reason that, unfortunately, there are not more women in this House.

[*English*]

Hon. Ethel Blondin–Andrew (Secretary of State (Training and Youth), Lib.): Mr. Speaker, I thank opposition members for bringing forward this debate. I rise in the House today to express my deep pride in the government's record in promoting social justice and economic parity for the women of Canada.

I am encouraged by the interest shown by the hon. member of the opposition in the issues of women's economic equality, for what could be more important to Canada than the welfare of more than half its population. I believe it is 52 per cent. It is only when women and families thrive that our country will be renewed.

• (1050)

I welcome the invitation to demonstrate to my colleagues that the federal government can be counted on to keep its promises. We said we would and we are reshaping the country, making it economically strong, socially just and proud of the rich diversity of its people.

Our plan for Canada outlined in "Creating Opportunity" is firmly anchored in the principle that governing is about people. The motion before the House raises an important question: What has the track record of the government been on issues that affect the economic status of women? The short answer is that the government has done a great deal. The government made commitments in the last election campaign and is living up to them.

In the few minutes available to me today I want to discuss the actions we have taken in the important area of employment programs. I want to look briefly at the record in unemployment insurance and I want to talk about the child care issue. I will finish with some comments on the government's proposal for changes to the Employment Equity Act. The document is an empowering document not just for women but for the disabled, for aboriginals and for visible minorities.

First let me establish the context. It has become a truism that the best social program is a job. That point has been made by people from both the right and left of the political spectrum. Therefore well over 400,000 people can say that they have taken part in the greatest social program of all since the government took office in October 1993. There is every evidence that the record will continue strongly and that these are predominantly good jobs and full time work. Women are claiming their full share of the growth.

Let me give a personal view of what it is to be a woman and what it is to be a woman in an area that used to be exclusively male in the number of areas I have occupied in my career. I was in the civil service for many years before I entered politics. My experience was that I never had a problem working with men because those were the people to whom I had the most exposure in the levels I occupied in senior management. It gave me a great deal of opportunity to build human relationships that had a certain dynamic and express co–operation and a bit of a positive attitude about working with other people.

However the real experience I have as a woman comes from the fact that the most influential people in my life have been women. My grandmother was a medicine woman. She was an orator. She was the anchor in my family. She was the leader in my family. There are many strong men in my family. The women in my family are very strong women. They see the opportunity for greatness in almost every opportunity that comes their way.

Another most influential woman in my life has been my stepmother who adopted me when I was three months old. She took the opportunity to teach me good things. I cannot think of a thing women have gained that has just been given to them. I cannot see an empowerment process that women have not fought hard for. Women are truly the instrument of their own empowerment. We are 52 per cent of the population. If women use that

instrument, if women use that power device sincerely, it will be the essence of how great our accomplishment can be.

I have travelled around the world. I have seen other societies, other groups across different nations. It sort of sets a stage for what we have in Canada. In our party we have the whole idea of equality of opportunity and I really believe in it. It is interesting when we think about people like Eleanor Roosevelt, the wife of a former president of the United States, who said: "No one can make you feel inferior without your consent". I feel that way about being a woman.

• (1055)

I feel that women have certain natural talents. That does not make us better than men. It just makes us as good as we can be. It gives us the capacity for nurturing, the capacity for co–operation, the capacity for vision, and the capacity for sharing. We are not keeping the power to ourselves but we are sharing the power. The use of a power in a very positive way is a dynamic that women bring to politics, to business and to social development. It is a different style. It is not better. It does not create inequity. It creates the greatest opportunity for women.

If we look back through history to when women in Canada received the right to vote, no one handed it to them. No one made us persons without the struggle of women. Women themselves went out and put up the fight to gain that right, to gain that recognition. We have fought some big battles. They are not battles between the sexes. They are battles for human dignity. They are battles of the individual fitting in society in a way that expresses true human rights and dignity: the right to work, the right to raise children in an environment that is safe and clean, and the right to raise our heads among others without feeling shame or disgrace even when there are problems. That is the kind of country we live in. That is the kind of democracy for which people fight and in fact in some countries for which people have died.

I come from a family in which women play a very predominate role. The men play an equal role in their own area, but I am talking about women today. I am not saying it is just our day. In fact all the men here today can have the honour of being honorary women if they so desire.

The whole issue of economic empowerment is a different dynamic. Many would say that business is a man's world. That is changing. We no longer have a single income society. We have a double income society. People are working, partnering and sharing. There are children to look after and there are competitive forces that impact on families, communities, regions and the country as a whole. Women are major contributors. Not only do women see the necessity of their positive participation. Men also see the positive contributions made by women. It is necessary. It is absolutely necessary.

Women make up 52 per cent of the population. I was in Copenhagen. Empowerment to me is reaching out and having the human experience of realizing the differences, of building tolerance, of building acceptance and of approving of people's differences linguistically, culturally, socially and economically. We are all people.

I was empowered by seeing other women. I had the opportunity to listen to female leaders and male leaders from around the world. On International Women's Day there was much mention that despite the fact women make up 52 per cent of the population they account for 70 per cent of the world's poor. If women account for 70 per cent of the world's poor, implicit in that is that children are involved. There are more women in female centred living circumstances or families than there are males.

We realize the imperative of empowering women. For instance, the government in making its appointments to boards and commissions is constantly vigilant and balancing the number of women appointed to boards and commissions, as are other members of this caucus and other members of the House. There is a balance. It is definitely a commitment of the Prime Minister and the cabinet.

• (1100)

There is still a greater opportunity for us to look at some of the most economically related boards, to look at the financial institutions and to be able to appoint women. There are women who are qualified, woman who have years of experience. I have met them, as have other members of the House. They are women with a lot of experience and equality of education, who have two or three degrees. They are women who are not bilingual, but multilingual.

They are multi–faceted women who have a whole range of talents to bring forward to the process, not only empowering their families and themselves but their communities and this country. There is definitely a role for ensuring that women get to the top in partnership with men. It is not either/or. It is better when they work together.

We also understand the right to be recognized as persons was not conferred on us by a special men's club that thought it was time to make women persons. That did not happen. Women took up the fight. Women won that right.

It is a powerful feeling on Persons day every year watching the women being recognized, outstanding citizens in this country, who have contributed not only to themselves but to their communities and to their country and maybe to the world in a sense by setting an example.

The right to vote was not conferred on women because someone decided. It was a hard fought battle. It was something women felt strongly about and they finally won the right to vote.

Around the world democratic rights is one of the most powerful tools. Look at South Africa. It is a prime example. The right to vote, the right of assembly, the right to speak, the right of mobility are things women have to make work for themselves. That is the basis of a firm foundation on which to build economic empowerment. That makes it a powerful tool.

At this time the government is aware economic growth by itself is not enough. Women still remain clustered in traditionally female occupations such as teaching, nursing, clerical or sales and service work.

I was so pleased when I went to Montreal two months ago and met with a group of young girls in a classroom dedicated to teaching math and sciences to these young women. I want to see these young girls 20 years form now. I want to see them when they are in high school and university. I told one young girl her seat is waiting for her in the House of Commons.

An hon. member: Look out world.

Ms. Blondin–Andrew: Look out world is right. Those young people are going to be a huge factor not in just the empowerment of their specific gender, but of this country. If we use that 52 per cent resource to its maximum, we can help to abate a lot of the social problems. We can help to abate a lot of the economic woes that befall our communities.

In this country we are so good at building infrastructure. If we need a road, we build it. If we need a hospital, we build it. If we need banks, we build them. If we need airports, we build them. The one thing that is critical and has not happened over different levels of successive governments is building that firm human foundation, that firm human infrastructure that is spiritual, social, cultural and linguistic which will result in children staying in school and will not drop out.

That is not always the result because we have a disempowerment somewhere along this infrastructure path we have taken. I am not saying that we should not have infrastructure. I am saying that if we have it, it should work for us. It should give us the results we need.

• (1105)

We should be producing. We have skating rinks and curling rinks. We have these other kinds of institutions and infrastructure. They should be producing better athletes. They should be producing children who will be able to set their goals and reach them with their families and their instructors.

Somehow we have to get back to the basics of making those things work for people, not just women, all people in this country. We need to say real empowerment is not the empowerment of one individual. Real empowerment is the empowerment of our families, of our children, of our communities and of our country.

A country is not about one person. A country is about a collective, all the people who live here, all the people who come here from other parts of the world who believe we still have the best country in the world. I certainly believe that.

I am not turning a blind eye and saying we do not have problems. We have problems, but at least we have the democratic right, the equality of opportunity to be able to deal with those problems, to make a better tomorrow for ourselves and for our children.

If all the government did was rely on the market, as some in the House would prefer, we would see only a glacial change in the labour force situation of women. This government believes it can do better. It recognizes the continuing need to help women move into new growth areas. It recognizes its own programs and services can help to bring us closer to that goal. That is important in terms of the government's employment programs.

Hon. members will be aware of many of the programs and services provided by Human Resources Development Canada. I am sure almost all of us have Employment Canada centres in our ridings. These offices have made real efforts to reach out to women, to make programs and services more accessible, to break down the stereotypes and the barriers to full participation by women.

In the last full fiscal year, 1993–94, more than one–quarter of a million Canadian women, 262,392, participated in HRDC employment programs and services of all kinds. That figure was fully 28,555 more than in the previous year. This is so absolutely important.

There is a lot of technical information I have here which I have not shared with the House. It takes co–operation. It takes true partnership. It takes true dignity and respect to really empower the individual and to empower a community, a family, a country. It can be done by respecting and recognizing the power and the real empowerment of women.

[*Translation*]

Mrs. Gagnon (Québec, BQ): Mr. Speaker, my hon. colleague opposite made some interesting comments. She mentioned points regarding the status of women that certainly raise some questions. I am criticizing my hon. colleague for her government's lack of concrete action.

Both she and her colleagues on the government side point to certain situations, but they have yet to put forward any concrete measures, like a day care system; instead, we get budget cuts hitting community agencies and groups that provide assistance to women, and we get UI benefits based on family income. What does the government intend to do to help women?

They point to certain things, and say that they are aware of the situation, of violence against women, but what have they done to the budget dealing with violence against women? In two weeks there will be no more money for that, and we know very well that the government has not stated what it intends to do about it. As recently as yesterday, the secretary of state let it be known, on

the sly, without consulting women's groups, and in a crude fashion that the Canadian Advisory Council on the Status of Women would be shut down. She said, among other things, that the council had been set up by a movement that was in its infancy.

• (1110)

Should we conclude from those remarks that the women's movement has reached its full development? I do not think so. I think that progress has, indeed, been made, but the movement has not reached maturity.

I would like to get specific indications from my colleague. I too can wax poetic about the status of women. I too had to fight to make my way and be elected to this House, and it was not easy. Structures are frequently barriers that are not easily overcome. I agree with my colleague opposite about that, but I would like to have specific facts.

It is no secret that the Axworthy exercise was rather vague as far as the status of women is concerned. The same holds true in other sectors as well, like justice. I would like to hear what concrete action the government will take within a certain time frame and how much money it will spend. With the cuts recently announced, the CACSW will lose 30 per cent of its budget. Women's groups are being told that they are now on a solid footing. Such a statement is dangerous because it is not true. Some groups may be on a solid footing, but discrimination will occur.

How will the minister responsible for the status of women decide which group is to get grants? How will that decision be made? There is a vacuum here and we are left wondering whether there is a real will to help women. In 1995, more than ever before, women will need help because, when we go through a severe economic crisis, violence escalates and women are more than ever in need of help.

[*English*]

Ms. Blondin–Andrew: Mr. Speaker, I agree that they are confused. On the one hand in dealing with the opposition we find that every time we raise an issue, no matter what it is, women, employment or child care, we are told it is in the purview of provincial jurisdiction, that we have to confer with our provincial counterparts.

The hon. member is suggesting that I make suggestions about specific projects, specific initiatives even though she knows full well we have not had the opportunity to discuss such issues as child care with the provinces, which Quebec feels very strongly about.

There is not a vacuum. The government has undertaken a number of initiatives. Program review and evaluation is one of them. Under that guise we have also looked at women's programs. Change is not a bad thing. What is wrong with change in the name of effectiveness and efficiency? That is what the country wants. Canadians are telling us it is not how much we have, it is what we do with it. They are also telling us change is not such a bad thing. To make change in the name of efficiency and effectiveness is a good thing for this country as a whole, not just women.

It is true we are consolidating the women's programs but it is all in the name of removing duplication, eliminating a number of unnecessary allocations. We need to do that to make it more cost effective and to deliver services to the individual rather than build administrative bureaucracies.

[*Translation*]

Mrs. Gagnon: Mr. Speaker, it is true that we are asking for money, we are asking for transfers to provinces so that Quebec can finally get the amount of money that it needs to create its own programs. That certainly does not mean that we want the federal government to create the programs. We should not play on words either.

I will quote my colleague, the secretary of state, who was saying just yesterday that she had two good news. These two good news are bad news for the provinces. First of all, there are no tax increases. What does that mean? It means that the provinces will have to increase taxes in order to fill that gap and to pay for programs which will be created in the different provinces.

Second, tax loopholes have been eliminated; the budget makes our tax system more equitable. Which tax loopholes? The ones for big business, for family trusts or the ones for the middle class and the poorest people? That is the question that I am asking my colleague.

1115

[*English*]

Ms. Blondin–Andrew: Mr. Speaker, there is no way I would expect this hon. member and the opposition to come forward and endorse and kiss the budget that we presented. I do not believe that.

However, she suggests that in the budget we put forward the provinces have no responsibility. I dare say not. The province she is from is preparing a budget that will have an impact. She is fearful that it will not all be good.

These are tough times and we have taken the directions we believe are necessary in order to get our house in order. We are doing what we feel we do best and we are leaving to others what we feel they can do better. That is the way in which we are conducting our business.

There are different levels of taxation. I cannot speak to all of them but clearly there is a responsibility. We have made our move and the next step is up to the provinces.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I want to put a question to the minister about another aspect of her speech. She says Canada is the best country in the world to live in and anyone can enjoy it. As far as I am concerned, I see things differently. Overall, it is true that Canada is well positioned among western countries, but there are groups in our society which are less fortunate than others and the government should try to improve their situation.

I would like to draw your attention to the aboriginal people. Given the statistics on suicide, alcoholism and various other social problems, I wonder if the best way to help aboriginal women would not be to thoroughly examine the relationship between the natives and the federal government and to review, or discard altogether, the Indian Act, in order to put an end to the shameful way Canada has been treating native peoples over the last century.

[*English*]

Ms. Blondin-Andrew: Mr. Speaker, I am really quite pleasantly surprised to hear the member opposite speaking about the rights of aboriginal people.

It is no secret that I have been very outspoken on the rights of aboriginal people. I am also quite pleased, as was the rest of the country and the House, that the only department that is experiencing growth, even though it is not enough to meet the increase in demand and need, is the Department of Indian Affairs and Northern Development.

I am also quite pleased, on behalf of the Minister of Indian Affairs and Northern Development, to note that there is a major devolution and dismantling process under way. Something is definitely happening. As an example, an agreement was signed in Manitoba. That is just one area but there are other sources of self-empowerment.

The government has a whole section on self-government. There have been major comprehensive land claim deals signed with the Yukon, a number in the Northwest Territories and also in the province of Quebec. Those are the real empowering sources on which the government has taken an initiative. It is not just this government but other governments as well.

We are not turning away from the people who are the most vulnerable, at risk and disadvantaged. We are there for those people.

We understand that we can do business in a much more effective and efficient way. The Canadian public agrees and is ready for that. In a sense, we are catching up with public thinking on this. I am sure the hon. member will recognize that in doing so we will not turn our back on the people who really need our help.

[*Translation*]

Mr. Jean-Guy Chrétien (Frontenac, BQ): Mr. Speaker, first of all, I wish to congratulate the hon. member for Québec for having introduced this most important motion in the House this morning. I expecially like the part of the motion which refers to: "—inaction regarding the adoption of concrete measures to promote the economic equality of women in federal areas of jurisdiction."

Would the Secretary of State for Training and Youth be prepared to make a commitment before the House this morning that she will take steps at the highest levels of her party to ensure that women will not be affected more than men by the 45 000 job downsizing over the next three years?

• (1120)

She said earlier that women accounted for 52 per cent of the Canadian population. Will the ratio be higher than 52 per cent when those 45 000 civil servants lose their jobs? Will there be many more women than men among those people?

[*English*]

Hon. Ethel Blondin-Andrew (Secretary of State (Training and Youth), Lib.): Mr. Speaker, the President of the Treasury Board is the minister who has that responsibility. I feel he has an eye and an ear to all of the dynamics of balancing on gender the concerns of the people who will be reduced from the work force there. He is considering all the dynamics. I would not even try to improve on the excellent job the minister has done.

I am sure he has a special concern about the view that government has toward the role of women in everything we do. Of course I have support for women in all areas, not just this area, as my colleagues do, some of whom are male.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, it is a pleasure to rise to speak to this issue today. I wish to preface my remarks by saying that although I will not be in complete agreement with my colleagues in the Bloc Quebecois, I believe it is important for all of us in the House to have the opportunity to debate.

It is through debate and discussion that ideas evolve to make for a more effective environment, especially when we are looking at this whole area of the ongoing evolution and devolution, shall we say, of those issues that are particularly important to women as they become more a part of society.

I would like to compliment the minister for youth and training for the philosophical eloquence with which she addressed this issue. My approach is going to be somewhat different because we were asked to assess the impact of the Liberal budget on the whole of society and that, of course, includes women.

The rhetoric that has been used to promote the evaluation of issues pertaining to women has been in my view for far too long framed in the term women's issues. This narrowly defined focus ignores the economic reality and the impact that is felt, not just by women but also by men, our families and Canadian society in general.

The Liberal budget is a good example of this cross–cutting effect, across lines of race, religion, gender, even age. Today I will address three areas on which the budget has a negative impact as these are related to women. I chose to be very specific. I am glad that I did because it does provide a challenge to government, not necessarily in a negative way, but perhaps to challenge its thinking and approach to many of these issues.

The first element I want to focus on is women and their autonomy. I will use the example of a national day care program, highlighting another broken Liberal promise, as well providing a dialogue for discussion from the Reform perspective. It is an opportunity to which I have long looked forward.

The second area for discussion evolves around opportunities for women in Canada and the hollow ring of support provided in the Liberal budget. The focus for this aspect of my discussion is on the department of the status of women. We know that common sense speaks against the notion of social engineering. There is no strength in a tradition that keeps the issues of women from being addressed in a manner deserving of swift action.

Last, this address will look at creative productivity, meaning jobs, jobs, jobs. Does that not have a familiar ring? The Liberals ran on this strong platform plank but have abandoned it in search of a savvy transparent advantage: the need to be liked by an electorate becoming increasingly frustrated by political posturing that does nothing more than foster dependency through the status quo. We will talk about women in business in that section.

• (1125)

Given the economic situation in Canada, the government simply cannot afford expenditures in the area of social programs. Yet the government and the previous one made extravagant promises to Canadians for a national day care system. For financial reasons, the Conservative government broke its promise in 1992–93 and the Liberal government has promised national day care if the economy grows.

The reality is that it is easy for government to continue to make a promise it cannot keep and has no intention of keeping. The Reform Party prefers not to make promises on policies for which it cannot realistically expect to deliver.

As a matter of social policy, the Reform Party believes that the sole responsibility for the care of children lies with parents and that the federal government should not interfere with that responsibility through economic incentives that promote one form of child care over another nor promote subsidized day care facilities.

By advocating universal day care, the Liberal and former Tory governments are both saying that the responsibility for the care of our children lies with the state and not with the parents. Reform will only support a system that keeps the state out of the homes of Canadians and maintains the freedom and responsibility of parents to care for children while providing some form of assistance to only those parents and children truly in need.

The federal government should concern itself exclusively with matters that fall within its jurisdiction such as fiscal and monetary matters. High taxes, unemployment and rising interest rates are by far the major reasons why Canadians have no choice but to work while balancing homes and child care responsibilities. If the government would balance its budget, thereby giving Canadians the leverage to balance their own, not only would options open up for Canadian parents but the number of single mothers and children living in poverty would decrease.

Financial problems are a major contributor to family breakdown and divorce. By alleviating some of these financial hardships, the government will indirectly strengthen the family. That is this country's richest resource and economic foundation.

The debt and deficit situation no longer provides any leverage to the federal government in terms of lost revenues or further expenditures. The government's hands have become tied as far as new programs or financial incentives are concerned to allow the choice for parents to stay home or go to work.

The Reform Party believes that there are various avenues to pursue in anticipation of long term tax relief for Canadians. We continue our work in these areas as demonstrated by the Reform's taxpayers' budget thereby increasing disposable household income and allowing for choice when it comes to caring for children.

From a taxation perspective, we recommend that the government discontinue the child care expense deduction to level out the playing field between stay at home and working parents. It should pursue tax avenues that are not unfairly balanced in favour of one lifestyle or family composition over another.

However, before it does so, it must determine whether federal responsibilities extend to providing child care to Canadian children because current expenditures including the following: the child tax benefit, the child care expense deduction, equivalent to married tax deduction, GST credit, CPP survivor benefits, UI maternity and parental benefits, social assistance and transfer payments to provinces under CAP. These effectively put it in the day care business and directly into the homes of Canadians.

This jurisdiction is one for which it currently has no control. The provinces and territories are primarily responsible for the issue of child care. As provinces enact their own child care legislation and establish the accompanying regulations regarding the number of attendants per child, physical requirements of child care settings and training levels, all important criteria, dwindling transfer payments to the provinces become an even greater issue. How can this government justify downloading more responsibility to already cash strapped provinces?

• (1130)

What I have explained here would introduce a level playing field for both work and stay at home parents and would have far reaching positive economic implications. The potential for single income families could mean a drastic decrease in unemployment. For each person vacating the workforce a job opens up for the unemployed. The parent who chooses to be at home would have the opportunity and time to volunteer at schools, hospitals or local community centres, relieving some of the financial pressures currently facing these organizations which rely on government funding. It becomes a circle for success.

We are advocating in favour of the family and those measures which will help Canadian families remain the social and economic building blocks of this country. These are the issues which affect and concern all of us, women and men. The issues of child care and the choice to work or stay at home predominately affect women.

The Liberal budget demonstrates a lack of understanding and commitment to this fundamental reality. Reform's vision of social policy overall includes the decentralization of spending authority to the levels of government closest to the people, an improved framework of co–operative national standards, the empowerment of families and individuals, and a reinvigorated charitable sector.

It is my belief that complete equality has come to reflect the core values of what I call the new feminism. I see any attempt for change in this regard caught up in the social engineering process as sustained and subsidized by Status of Women Canada.

The Liberal budget did nothing to move us away from a tradition that perpetuates an old style of issues management, review, consult, discuss, a never ending circle of policy development going nowhere. Women want action on these issues which are so important to them.

When the Minister of Finance tabled his budget he announced he was transferring to Status of Women a women's program from Human Resources Development. When he undertook this move he transferred $11.3 million to Status of Women, $8.6 million of it for straight grants to special interest groups, and $2.7 million for the administration and distribution of those grants. That amounts to an administrative overdose of close to 30 per cent. No business can afford to operate like this. No family country can afford to operate like this. No household can afford to operate like this. How can our government?

The move was followed this week by another announcement from the Secretary of State for the Status of Women. As of April 1, 1995 the National Advisory Council on the Status of Women will be disbanded. Yet there was no mention in the budget of an amalgamation of the NACSW with Status of Women Canada.

The secretary of state allowed the estimates for the advisory council on the status of women to be commissioned, estimates which were published and released. They were of no value, for not one month later the announcement was made that the advisory council on the status of women would cease to exist. The secretary of state permitted an expenditure of tens of thousands of dollars in consulting fees to produce part III of the estimates when she knew all the information contained therein would not be used. It would not be needed. What kind of leadership is this?

Not only do we have a department failing to disclose, we have wasted taxpayers money in order to further an unknown agenda at this point with respect to the budget. It is this kind of politics which has caused Canadians to find politicians less than forthright.

On the issue of this department change, it is a tentative step in the right direction in terms of reducing the size of government. I acknowledge that. However, in terms of cost reduction it really is tokenism. A saving of $1 million cast against an exploding debt is cold comfort to Canadians waiting for an improved fiscal climate.

• (1135)

We need a dismantling of Status of Women altogether. I say this for two reasons. It would remove the stigma of special interest groups from women who are seeking to make positive change socially, economically and politically. Canadians would view this with favour as we strive to reach true equality without subsidized funding supporting these groups. It is a divisive practice creating us versus them.

We would see government moving away from the cycle of reviewing, consulting and discussing with no action. The issues important to women would be more readily addressed and quickly if it were moved into the various departments for which there would be authority for action. Violence against women could be dealt with by the Department of Justice. The whole issue of breast cancer and research would move to the Department of Health. The finance department could have the opportu-

nity to address realistically the whole issue of poverty within single parent families which are usually led by the mother.

Last year in her budget speech the secretary of state was very proud to announce that the government recognizes there are inequities in our tax system and income system detrimental to woman. She suggested there would be a review—another review—to address things such as support payments for women. She suggested the government would improve this situation.

Here we are a year later and absolutely nothing has been done in this area. When a bill was presented by my colleague from Calgary Centre to redress this inequity the Liberal government refused to support it.

One questions the partisanship of the House when sound fiscal proposals are introduced. What is the government's position regarding the interest of women, if only to score political points?

Through effective and non–government subsidized efforts litigation and the simple exercise of expression through votes women do wield a lot of clout. When government officials, politicians, lawyers and judges get on side this will facilitate a powerful dynamic for change. In any quest for solutions the best models are partnerships of public and private resources. Resources mean more than money. Governments cannot act alone. They have neither the know how nor the money.

What I speak of has been a long time coming. Our daughters, my daughters and my grandchildren, granddaughters I hope, will view the years prior to the 1970s as the dark ages. Male domestic violence went unchecked. Divorced women were denied a share of family property. Pregnant women were discriminated against in the job market. Rape could be easily laughed out of court by smart lawyers. Women were expected to declare they would love, honour and obey when they took their marriage vows. In fact 27 years ago I said "obey" and thought nothing of it, but how times have changed.

The world was perceived from a male prism, from the use of language to the raised issues that have altered the course of those issues most important to women. Cases on equal employment opportunities, spousal support, fair pensions and equal pay, as well as sexual assault, sexual harassment, rape, pregnancy discrimination and violence against women have been benchmarks for women in the last decade. Remarkable efforts from remarkable men and women have resulted now in a very different world view.

The best models for change are built on the partnerships found in the public and private sectors. This is even more apparent as we move to discuss women in business. Governments provide the environment in which business will thrive. Governments are there to cope with infrastructure development while the private sector seeks to thrive in a competitive and free market.

This leads to my discussion of women in business. Women are starting businesses at three times the rate of men. Of these, 75 per cent start their businesses during the peak child bearing years, placing additional responsibility on the family structure. These, women like most small business people, work long hours, from 50 to 70 hours a week, and earn on average less than $30,000 a year.

• (1140)

I would like to throw out a challenge to those government institutions that become obstructionists to the phenomenon of women entrepreneurs. Women who create employment as small business owners are not a passing fad, but have become a basic trend.

However, there is still discrimination by financial institutions against women who own and operate businesses. This discrimination was detailed in a study released last week by the Canadian Federation of Independent Business and takes the form of higher interest rates and a higher refusal rate for financing requests for women than for men. This discrimination was identified despite the fact that the characteristics used for the study were the same, irrespective of gender.

The characteristics were the age of the business, the sector of activity, the number of employees, the sales performance, the number of credit managers, provincial and financial institutions. Externally it would appear that women are participating on a level playing field.

What possible conclusion could be drawn when women business owners operating with the same parameters as male business owners are either refused their financing requests or are forced to pay a premium rate to compete on this so–called level playing field? The cost of financing is therefore unequal for men and women who own and operate businesses. This is the kind of equality that needs to be challenged and changed because it is not equality at all.

The report concluded by making eight recommendations. I find it shocking that the recommendations suggest financial institutions should change their approach toward women business owners, that financial institutions should investigate ways of better understanding the particular situation of small and medium size businesses, especially women owners.

These kinds of recommendations do nothing to encourage responsible business decisions to be made by our financial institutions based on competency and merit. Instead, although identifying that women business owners are treated unfairly by our institutions, it concludes the fault is that of the women rather than gender bias.

The finance minister stated in his budget speech: "There is so much more that we would like to be able to do for the millions of

Canadians who care little about the world of dividends and derivatives and simply worry about making ends meet''.

It is time for this government to worry about making ends meet. A crippling debt and continual deficit stifling the growth of the nation will not lead us to prosperity. Removal of barriers through proper allocation of tax dollars enabling less social dependency and a more self–confident and trained workforce, empowerment if you will, will ensure that prosperous future for all of us, men and women.

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, I will take a moment to compliment the mover of the motion, the member for Quebec.

In her motion she expresses the feelings a lot of us have, that we would all like to do more at this time to enhance our civilization, the civility of our country, and we would like to encourage those women's groups which have over time spoken out so eloquently and which have demanded more equity in their lives as Canadian citizens.

From that perspective I am in agreement. At the same time, as the government responsible for the fiscal balance of this country, we have had to cut back and it is not just on the backs of women, although that is the focus of today's discussion.

It is rather pretty well in every facet of our society, whether it is a businessman who used to get a grant or a women's group that used to get a grant. It is possible that neither may get a grant now. That does not mean we should leave our ideals behind. The member's motion helps us to keep those ideals in the forefront as we struggle through this period.

• (1145)

As for the last speaker, the member for Calgary Southeast, I find it somewhat difficult to follow her logic. She described the 1970s as the dark ages for women. She used some good examples to describe the days when women were less equal than they are today. At the same time she seemed to agree with the closing down of the council on the status of women and, if I am correct, she suggested that we should close Status of Women Canada.

Does the member feel there has been some progress over the last number of years in the way in which women can participate in our society today in civilian life, in the military and in Parliament? How does she think we got here in 1995? Was it not the work of volunteer women's groups, government funded women's groups, and governments of the past that put budgets together for Status of Women Canada to pursue the issues outlined by women as needing to be improved to improve women's lives?

Mrs. Brown (Calgary Southeast): Mr. Speaker, I thank the hon. member for her question. There is no denying that women have moved a very long way. If it had not been for the efforts of the feminists, if we are to use that term here, there would not be the level of awareness of many of the issues I cited in my text. If they had not spoken out change would not have occurred.

We have entered a different era. In my text I was trying to move us beyond the status quo. It is a challenge to government in terms of what I said to find ways to look at equality on the basis of just that with no conditions attached.

We will have to come to terms with the economic reality that the government has very few dollars to spend and start to rely more on volunteer groups as she suggested and those avenues I mentioned in my text to pursue and continue the evolutionary change.

I talked about effective and non–government subsidized efforts. I talked about litigation. I talked about the simple exercise of expression through our right to vote, putting people in the House of Commons. Hopefully that means women and men who will continue to press for change and pursue the opportunities we can without having to rely heavily on governments to fund initiatives. The issue of the dismantling of status of women is an attempt to move us beyond that point.

The government's budget was a startling shift to a different spectrum on the continuum of left to right. The ideology of social liberalism seems to have changed. They too have embraced more of an economic pragmatic approach to how we deal with issues. I am trying to seek different ways of encouraging women as well as men to find alternatives rather than the status quo approach of going to government for money to undertake another policy review or to produce another report with little action.

I appreciate the member's questions and look forward to further discussion with her at some other time.

Mr. Tony Ianno (Trinity—Spadina, Lib.): Mr. Speaker, it was very interesting to listen to the hon. member and her approach to the government's budget.

Independence is very important to women and to all Canadians. The budget is taking a first step toward encouraging more independence. Child care is an important aspect of that. It is not just a lifestyle, as the hon. member has indicated, but a need to allow single women especially to get back into the workforce, which gives them and their families dignity. They can then act as role models for their children and contribute in a very meaningful way to Canadian society. Their children will have the independence to do the things they want to do.

• (1150)

One aspect of the budget of the Minister of Finance concerned small business. We should take into account the statistics the

hon. member has stated regarding the increase of women entrepreneurs in the system. That should be commended because it will spur the country to become self–sufficient and reduce the overall debt. We should take into account the one way in which small business people can get money to improve and enhance their business opportunities is through the source of capital from banks.

As the minister stated, through the budget the banks have to be encouraged to sit down with government to find ways to lend more money to small businesses. Considering that small businesses run by women are becoming more and more a factor, it is in the right direction to give them the tools they need to help our economy get stronger.

We should take into account the benchmark to which the minister was alluding. We should take into account that some banks are lending small businesses less than one–third of all their corporate loans. One recommendation I put forward was that the government should encourage banks to lend to small businesses at least one–third of the amount lent to all corporate donors. Then we would find an increase in loans to small businesses from $33 billion to $49 billion, or a 50 per cent increase. That would encourage many small businesses to expand and give women more tools to do much better.

Would the hon. member agree that would be a good step by the Minister of Finance?

Mrs. Brown (Calgary Southeast): Mr. Speaker, I thank the member for his question.

I would ask the member perhaps at another time to explain exactly what he means by government encouragement. I do not have a clear understanding of what he means by encouragement. However I would support government working with the banks to encourage a plan for action such as the hon. member suggested.

I talked about the whole matter of financial institutions lending to women. I was taken aback by the report undertaken by the Federal Business Development Bank regarding the gender bias that appears to be apparent with respect to women and how women have access to money to foster and create businesses that will thrive. That is the point I would like to make here. It was concern for gender bias. Women do not appear to be treated fairly by financial institutions, given the nature of the report I cited in my text.

From the Reform Party perspective we encourage and recommend competition in banking provided to entrepreneurs such as service to customers and delivery of quality products. We also recommend an independent ombudsman to adjudicate problems such as the ones I have mentioned. That is a form of problem resolution without having to go to government for further money to resolve the problem.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, I think it is interesting to see there is some agreement on the relevance of the motion presented by the hon. member for Québec. I am not saying that members will agree on every single word or that the government or the other opposition party will be in complete agreement, but there seems to be a common concern about the way women will be treated in the future, considering the changes that are taking place.

I will read the motion again:

> That this House denounce the government for its insensitivity and its inaction regarding the adoption of concrete measures to promote the economic equality of women in federal areas of jurisdiction.

• (1155)

I think the operative words in this motion are "the adoption of concrete measures", because policies on the status of women have been discussed for many years. However, I think governments should be judged on what they have actually done in this respect.

Perhaps I may take an example from every day life. Take, for instance, Marie–Hélène, a young student who intends to go to university next September. How does she see her future as a woman? What kind of future can she expect?

Well, as a result of social programs reform, she can expect to be in debt to a far greater extent during the next few years. If she decides to go for a university degree, she will end up with twice or three times the debt she would have if she were completing her schooling now. Which means that a young woman who wants a career and considers what her future will be is going to say: Well, maybe it is not such a good idea to go all out to develop my potential because of the increased debt load I can expect.

It is very surprising that she should think so under a Liberal government that, in the sixties and seventies, tried to do some interesting things to promote equal opportunity. Today, the government makes it very difficult for people to take advantage of such opportunities by telling them that when they go to university, they will have to carry a much heavier debt load. As a result, only wealthy families will be able to send their children to university, and we are thus reverting to a model we had 25 or 30 years ago, which no one wanted and where equal opportunity for education did not really exist.

So that is an example of a lack of concrete measures from this government, a negative action that will turn the clock back 20 or 30 years and give many women cause for concern.

Let us get back to our student. She has finished her education and would like to start a business. She decides that she wants to get into new technologies. Unfortunately, she is not covered by unemployment insurance because she has never worked a sufficient number of weeks to be eligible, and she cannot apply for

welfare if her spouse has a job. In other words, she is not eligible for any government program.

I took this particular example because women are more likely to find themselves in this kind of situation. As a result of what I would call systemic measures that are counterproductive, a situation has been created where women who want to start a business will be less likely than men to have access to various types of assistance. This is unfortunate, because the government could have included a number of measures in the current budget to deal with this, but it did not.

I will continue with my example of a young woman looking at her future, making plans and trying to decide how she will go about it.

When she read the red book of the Liberal Party, during the electoral campaign, she might have felt that, whenever she decided to enter a new career, she would be able to take advantage of adequate day care services for her children, allowing her enough time to pursue a career while ensuring that her children receive a proper education and adequate support during their formative years. Now I am not saying that men do not have any responsibilities regarding the education of their children, clearly we have the same responsibilities as women, but the truth is that in the real world we very often ask women to be what we call superwomen, that is to say women able to juggle family, professional and social lives, and more often that not, without much help.

The government could have taken a number of concrete measures, since the Liberal Party had promised during the election campaign that if the gross domestic product was to increase by 3 per cent it would create 60,000 new spaces in day care centers. Recently, we have seen an increase in the gross domestic product, but no increase in the number of day care spaces which would benefit women, except for native people. Thus the commitment which has been made regularly to Quebec and Canada has now been rejected.

• (1200)

The previous Conservative government did not live up to this commitment. The Liberals, who were elected on the promise to bring about changes, in this area as well as others, are following in their predecessors' footsteps. We can see why there is still a great deal of dissatisfaction and why the lack of concrete measures on the part of the government can be denounced.

As a result, a young female student graduating with a heavier debt load and the knowledge that adequate day care services will not be available sees no hope of improvement in her situation. When she learns, at the same time, that the bodies acting as watchdogs for the status of women are going to be axed, she has every right to wonder what is in store for her. This young woman is full of vitality, very enterprising, and wants to go places.

I will now give you the example of another woman also full of vitality, but maybe not as lucky. For the sake of this exercice, let us call her Helen. Helen, a single parent with two children, stays at home. Housing consumes 40, 50, 60 per cent of her income. When she is told that the government is committed to reducing poverty, the first thing she expects is to spend a more reasonable proportion of her income on housing, somewhere around 25 to 30 per cent.

But nowadays, people often spend 50 to 60 per cent of their income on housing. This means that, with a welfare cheque, when you spend between 50 and 60 per cent of it on rent, you have to be a miracle worker in order to feed two children properly and, in the end, prevent them from becoming trapped themselves in the vicious circle of being poor children. Could the Liberal government not have set aside additional money for direct assistance to public housing, following the tour by the Standing Committee on Human Resources Development on the reform of social programs?

Oh, no. On the contrary. A press release by the minister responsible for the Canada Mortgage and Housing Corporation on February 28, 1995 made a very simple announcement—no fanfare. Nowhere else was this casual approach taken, except with the Advisory Council on the Status of Women, yesterday. Its demise was announced quite simply, without any fuss, during debate. The effect of this approach is just as hidden as in a press release. The press release in question announced a cut in the overall public housing budget of $270 million over three years. What does this say to Helen, the woman I was just talking about, who has a housing unit to pay for and must perform miracles just to survive? What does she understand when she is told the public housing budget is going to be cut by $270 million? So much for the light at the end of the tunnel.

This is a criticism that may be made of the present government. It fails to take solid measures designed not so much as acts of charity but rather to put people in a position to be able to get out of their present situations. The same example applies with respect to the government's continual attempt to use the American model in assisting poor families. The current approach of the government is to say what the Americans have done, basically. The government says it will help poor families, but with the money it currently gives the middle class.

Do you know what the effect of this is? More and more middle class families will become poor families. Then the government can crow over the fact that it sends them a cheque as a poor family. However, the approach in the past in Canada, and the one that worked, was to fight poverty by allowing the people just above the poverty line to continue to hope that their situation will improve and by giving poor families the means to improve

their situation as well. But it will not come about by running in the opposite direction, by helping those in greatest need in order to bolster the government's image, while withdrawing assistance from those in the middle class and driving them into the ranks of the poor.

I think that we have here another example of the present government's failure to act that must not be allowed to go unchallenged. To accompany all these examples I am going to read you an extract from a speech given by the Minister of Human Resources Development before the World Summit on Social Development, just to show you what little connection there is between the speech and reality.

The Minister of Human Resources Development said: "Our programs must increasingly be backed up by concrete measures to get people back to work, rather than focussing uniquely on income support". What are there in the way of measures to allow female entrepreneurs to assume their roles in the market place? There is nothing which corresponds to what was said in Copenhagen.

• (1205)

Second, he also says that affordable day care must be available so that heads of single parent families, especially women, can work outside the home. How can a minister give such a speech in Copenhagen, and on the other hand be a minister in a government that has tabled the budget we have just seen? I think that this proves that the motion by the member for Québec is very relevant and we hope that the government will devote the necessary attention to correcting these major shortcomings in the present budget.

Mrs. Gagnon: Mr. Speaker, I thank the hon. member for his very relevant comments. I appreciate his way of making concrete proposals to the government regarding economic and wage equality, as well as other issues.

The purpose of the motion is to have the government speak up, not about intentions, but about concrete actions which it might take to improve the situation of women. The secretary of state made a comment to the effect that the Canadian Advisory Council on the Status of Women was established because women had a lot of claims.

She argued that the situation of women has since improved within the government. Women have, indeed, made progress, in education, business, university and in other sectors. But these women are part of an elite group and not all women had the same opportunities in terms of access to such traditionally male occupations.

I wonder if the hon. member could again show, in concrete terms, how the government often takes credit for measures geared to an elite group, while forgetting poor people, women, single mothers and the young who are faced with shrinking job opportunities. What concrete action could the government take?

The government says it wants to stimulate businesses run by women, but again we are talking about an elite. This is fine, but a large percentage of women are left to fend for themselves and the government does not seem to have any concrete plan to help them.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, in my short experience as a member of Parliament, one of the things that struck me most is how women's groups, in my own riding and other regions, manage to do so much with so little. On very limited budgets, they find innovative ways to help women and their families, and they get concrete results despite their limited resources.

I suggest that we start by listening to these organizations and by giving them the resources to do their jobs without being in a constant state of crisis. There should be a three-year or five-year plan that would make it possible for organizations, that represent women and help to develop women's goals, to continue their work.

• (1210)

In the course of the hearings held by the human resources development committee, we heard testimony from dozens of women across Canada who talked about their experiences and who wanted to provide a better future for their daughters who today are 5, 10 or 15 years old. They want to ensure that 15 or 20 years from now, special programs will no longer be necessary, because every woman will have a chance to develop her potential and equal opportunity will have become a way of life in our society.

The most important thing is to have confidence in women.

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, I am naturally in favour of the motion tabled by the hon. member for Québec, which asks:

> That this House denounce the government for its insensitivity and its inaction regarding the adoption of concrete measures to promote the economic equality of women in federal areas of jurisdiction.

I therefore denounce the government's insensitivity to the situation of women. I would like to take this opportunity to address one aspect, old age pensions, and to show that the present government, despite all the action it has taken in this area, is not preventing an increasing number of older women from falling below the poverty line. The 1995 budget is definitely sounding the knell of the universality of social programs, including public old age security plans.

By way of example, the ceiling on pension benefits based on the previous year's income puts an end to universality. Even though few seniors have incomes over $53,000 a year, seniors far from being rich often may earn higher family incomes in one

year by liquidating assets they have accumulated over the years, withdrawing RRSPs or transferring the latter.

This provision of the budget will affect them directly the following year by reducing their pension benefits. It is a known fact that the old age security programs to which seniors have contributed have virtually stopped being universal since 1989.

I have a hard time understanding why the Liberal government keeps going after this sector of the population, who, we must not forget, built this country. They are the government's preferred target, the one is bent on destroying by imposing unacceptable measures year after year, budget after budget, on these, society's most disadvantaged.

People then wonder why Quebecers want to throw off this federalism and become sovereign. The various old age security programs and the guaranteed income supplement are the principal sources of income of people over 65 years of age. These people, especially women, are much poorer than the population as a whole.

Is there anyone in this House who does not know that seniors are more disadvantaged because they are on pension and have lower incomes if they have not worked outside the home. This is the case of our mothers.

Their work at home was not paid nor used to calculate their retirement pension. Their only income therefore in the years to come will be the Canada pension cheque. And for how many years to come?

• (1215)

It is an injustice and the government amplifies it by declaring that old age security pensions will be based on family income in the future. This measure will force a great number of seniors, most of them women, to hand back their pensions.

According to Quebec's minister for the status of women, this measure would set women back 50 years. During that time, they have succeeded in being recognized by society as individuals, but now, because of budget cuts, they will see themselves forced to be viewed in relation to their spouses and to family income, once they retire.

We can justifiably wonder in what direction the federal government is headed when it comes to women's rights. My colleague from the government of Quebec is right when she adds that the principle of family income completely transforms the retirement income security program, replacing what was an insurance program by a social assistance program for needy families.

Canada made very clear public commitments in favour of gender equality and also took statutory measures to reach this objective. I refer to a Canadian document on violence against women. Section E.61 of its action plan states that Canada is committed to analyzing all of the proposed amendments to the tax system in order to expose all of the discriminatory or negative effects that they will have on women. This principle has now been shelved.

Section E.66 of the same document states that Canada is committed to raising and ensuring full indexation of the threshold at which old age security benefits start being clawed back. Once again, this commitment has not been met.

Canada's commitment is very clear in this document: We are supposed to take all of the necessary measures, in particular legislative measures, to amend or abolish acts, regulations, customs and practices which discriminate against women. Is this what the government delivers in its budget? No. It has thrown all of its principles out the window.

The Minister of Finance offhandedly casts aside studies which have cost taxpayers a great deal of money and ignores basic principles in the name of deficit reduction. On the contrary, instead of going forward and giving seniors, in particular women, the means to attain these standards, the budget places these standards further out of their reach.

Let us be serious. I understand very well that everything has a price and that there is a cost associated with this initiative. However, why not hit banks, tax havens and family trusts and leave seniors in peace. They have sweat blood and tears to build this country which, today, is rejecting them. Is this federalism?

Have seniors not already given enough by working all of their lives and paying their taxes? Who else do you think filled the government's coffers?

In conclusion, I would like to remind you that Quebec's sovereignty does not jeopardize senior's incomes. The threat to old age pensions comes from the federal government. That is the price to be paid for maintaining the status quo, the price to be paid for voting no in the upcoming referendum.

In a sovereign Quebec, a matter like the one mentioned at the beginning of this speech, namely the government's insensitivity to the situation of women, will not even be an issue. Equity will be the order of the day.

• (1220)

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, I am quite amazed to see this motion by the opposition. I would have wished for a preamble which could have read as follows: "That this House commend the government for all the measures it has taken to date to create opportunities for women".

My hon. colleague is forgetting that, in our 1994 budget, we reiterated our commitment at the federal level to provide $100 million to the emergency repair program. We also reinstated the court challenges program which provides funding for cases

relating to the provisions of the Canadian Charter of Rights and Freedoms that guarantee equality rights.

I want to stress that these programs have expanded jurisprudence relating to positive economic action for women. Also, our government announced the establishment of the Canadian Race Relations Foundation, another major initiative on behalf of women facing discrimination both on the grounds of sex and race.

I could cite at least 15 to 18 different initiatives this government has taken to date to create opportunities for Canadian women. Therefore, I am surprised to hear the opposition parties attack the government like this. I would like to tell my hon. colleagues that one year after taking office, we have accomplished a lot for women, when compared to the record of the previous government over ten years. I wonder why my hon. colleague does not rise to commend the government.

Mr. Fillion: Mr. Speaker, I have trouble commending this government when the status of women just keeps deteriorating. Women, whether young, middle aged or seniors, see their standard of living going down continually.

Take the freeze on student loans for young people who want to further their education, for example. The point was made earlier that, by the time they get out of school, university graduates will be in debt over their heads. That is what Canada has to offer. It was also clearly demonstrated, with figures to back this up, that no new day care spaces will be opened to allow women to re–enter the labour force.

Again, that is what this government has to offer. Furthermore, there is no indication anywhere that something will be done about social housing. Cuts, cuts, cuts. I say this is a disgrace. In the red book, which in my view has turned black, there is nothing, absolutely nothing, in terms of positive measures concerning the status of women.

Of course, one can argue that the government does have a Secretary of State for the Status of Women. But what does she have left besides her title since the advisory council has been abolished? What can she do? With no budget, she cannot go very far now. So, let us eliminate this title, which does more to pay lip service to the government's intentions than to further the cause of women.

[*English*]

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, I am pleased to speak on this motion today. Although I have to profess at the very beginning that I do not agree with the motion that has been put forward, I am pleased the member for Quebec has put it forward so that some of the positive moves this government has taken since it was first elected can come to light.

• (1225)

It is important that individuals and particularly parliamentarians are periodically forced to think about issues such as equality, be it between gender, or people of different races or colour, immigrants versus second and third generation Canadians or our aboriginal people.

We come to this place to debate the issues of the day. It is important for us to understand that unfortunately our society is not one that can claim with any purity to practise equality in nearly any aspect of life as Canadians. It is unfortunate that as a tolerant society there is still a tremendous amount of intolerance. It is unfortunate that as a progressive society there is still a tremendous amount of bigotry, a tremendous amount of isolationism and a tremendous amount of hate toward those who are different from us, whoever us is in any particular case.

It is important that we try to put this debate into some context. The Government of Canada, my party, has campaigned for many years on platform of equality. The record and sincerity of the statements of a party or political institution, of a parliament or a government, should be judged by its actions.

The actions we have taken over the last 18 months have been fairly significant. That is not to say they are the only actions that need to be taken. It is quite the contrary. When we are dealing with things like inequality, bigotry and racism we must be eternally vigilant. It has a habit of creeping up and when we take one step forward, unless we are very, very vigilant somebody will push us two or three steps backward.

I suspect this motion came about as a result of some of the budgetary measures. I suspect that some people are concerned, perhaps for good reason, about some of the changes that have taken place because of the fiscal realities of rising deficits and debts and the requirement to try to get our economy moving again.

I suspect that the member for Quebec was concerned that the National Advisory Council on the Status of Women is going to be wound up. I too was concerned when this first became a subject of public debate and consternation.

I note the government has taken the women's program which used to be with human resources development and has folded it in with Status of Women Canada. This is a very significant move by the Government of Canada for two reasons.

In the past when governments thought we had money, when it was thought we had more borrowing authority than we should have had, many times dollars were given to special interest groups. They would be given the money and told to go and represent women in society. That was a terrible thing if we think about it. What was the real intent behind that? Was it to try to say that women's issues were not worthy of perpetual vigilance by

parliamentarians? Did it mean they were to be pushed down to become the purview of a "special interest group"?

I have always had trouble with the way governments have funded special interest groups. Government funds me as a member of Parliament to represent the interests of my constituents. Repeatedly over the years it has become an accepted practice that parliamentarians can hide behind the fact that there are other groups to do this. We use taxpayers' money to front and support interests we are supposed to be raising and protecting in our duties as members of Parliament, as members of legislatures and as members of city councils right across Canada.

I do note this government has a good record with respect to the initiatives it has taken to promote equality, not just within areas of the federal purview. Governments must lead by example.

In my view this government has taken one of the most articulate, forceful and believable individuals in this Parliament and made her the Secretary of State for the Status of Women. Any independent observer would be hard pressed to find an individual in the last two Parliaments who has so consistently, forcefully and sincerely put forward the concerns of women and made it imperative that those concerns be dealt with by governments. It was not a fluke of cabinet roulette when it was decided that the member for Mount Royal would be the Secretary of State for the Status of Women.

• (1230)

Most women, most activists and most feminists in Canada, male and female, would agree that the choice of the member for Mount Royal as the Secretary of State for the Status of Women was clearly an indication of the seriousness with which the new government viewed these affairs.

However there have been other things such as Bill C–64, the Employment Equity Act. We came in and strengthened that act. It was one of the acts I have been extremely critical of in the past. I am withholding my praise to see how the recent amendments will play out in actual fact. It is fine to have a piece of legislation, but unless there is overwhelming and compelling reasons for the reporting mechanisms to be adhered to and some enforcement powers behind it we find it can be hollow words on very shallow paper. At least it is a step in the right direction.

The 1995 budget measures had some provisions to try to increase access to capital for small and medium size businesses. As everybody knows about 40 per cent of new entrepreneurs are women. Anybody who has been involved with public life, particularly as a member of Parliament, would know that women are doubly disadvantaged if they go to a bank or a financial institution looking for a loan. They are usually disadvantaged because it will be a small business proposal and the banks do not seem terribly keen on lending money for small business. They should be chastised and at times condemned for that. There is also sexism at play. Sometimes it is systemic, not overt. Women do not seem to be able to access capital in the same way as men.

More needs to be done. During the pre–election period we talked about establishing special programs for women entrepreneurs. The committee on industry has looked at it. I would encourage members of the committee, with all of the work they have on their desks, to recognize that women are doubly disadvantaged as entrepreneurs. That is one promise made in the red book during the campaign that must be fast tracked. We must find ways to set up women's entrepreneurial institutes and make sure there is real access to working capital for women entrepreneurs.

Anybody who has followed the social policy review, if in favour of it or opposed to it, will know that one of the main components was to try to address women and children in poverty and whether or not the current vehicles, the social programs, are addressing the real tragedy out there of women and children living in poverty.

The proposals put forward in the green book clearly addressed those issues. The proposals were meant to cause debate among the Canadian public about whether or not we had the wherewithal, the courage and the foresight to change social policy programs to ensure that some people who are missed, mostly single parent families headed by females, are no longer doomed to a life of hell and poverty for both themselves and their children. I hope some of the good measures in the green book will come to fruition and we will be able to address the real tragedy of women living in poverty and well over a million children living in poverty in Canada.

The red book commitment on the Canada Race Relations Foundation was fulfilled. Some individuals in the House believe with the fullness of their hearts that it was a waste of money to establish the Race Relations Foundation. All they have to do is go into any minority community in Canada, any black or immigrant community, to find out that the sting of racism still exists in Canada and that unfortunately its sting is no less painful today than it was years ago.

The Race Relations Foundation established by the government is aimed not just at minorities in Canada but at the triple disadvantaged in Canada who in many cases are women. Black women and native women are some of the most discriminated individuals in Canadian society. The Canadian Race Relations Foundation is a tangible example of the government's commitment to focusing government effort and attention to solving the real problems.

There are other matters that I will mention quickly. One is the task force on prostitution. I cannot think of a more violent and abhorrent crime against women than prostitution. The government, through the Minister of Justice, has indicated that we are prepared to take tough and decisive action to stop this heinous crime against society, against women, against our daughters and

against our grand–daughters. We are serious about it. Tough action will be taken either by the minister or people like me putting private members' bills forward in the House.

• (1235)

On the firearms legislation, 50 per cent of women who are killed are killed in domestic disputes by firearms that are kept in the home. We have taken tough and decisive measures.

In conclusion, the debate should not be only about money. It should be about attitude. When I look around this place and I see the quality of members of Parliament, and the quality of female members of Parliament, I know we have come a long way but we have yet a long way to go.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, I see that my colleague opposite has also come up with many findings on the status of women. However, the measures he has described are mostly social in nature. They are very worthwhile measures but today's motion deals with the economic measures intended to promote women's equality.

In this regard, I would like to ask the hon. member opposite what he thinks of the proposed labour code reform. I know that in 1993, Bloc members proposed an amendment to harmonize with Quebec's occupational health and safety commission the benefits paid to pregnant women withdrawn from work for precautionary reasons. I know that an internal document is circulating, which totally ignores the motion proposed by Bloc members, even though it was supported by their Liberal colleagues.

Today is a day of action, a day on which we are asking the government to take concrete measures favouring women. In this matter, we see that there are two classes of female workers. Federal public servants who become pregnant and must be withdrawn from work for precautionary reasons earn less than their Quebec counterparts—I think they receive 60 per cent of their salary compared with 95 per cent in Quebec.

Why are they not taking this into account in the proposed reform of precautionary withdrawal?

[*English*]

Mr. MacDonald: Mr. Speaker, the simple answer is that I do not know why more attention was not given to that measure. I have to be quite honest. I am not entirely up to date on the Quebec legislation about which the member spoke.

However I listened intently and I can tell the hon. member for Québec that I applaud her efforts to bring issues before the Parliament of Canada, the proper venue for such issues to be discussed.

As a member who is here for his second term, let me say that unfortunately far too often good proposals from opposition members are almost treated with dismissal by others in this place. When we are dealing with issues of fairness and equality, particularly issues that affect over 50 per cent of our population, partisanship has to be removed. When good proposals are put forward the government should look at them.

I look forward to getting more information on the matter. However, if it is a progressive measure which seeks to equalize the role of women not just in Quebec but across Canada, it would be the type of measure I would support regardless of the official position taken by my party.

The hon. member for Québec talked about the fact that the debate was on economic equality. The reality is that social equality and economic equality are intertwined. We cannot deny one and expect the other to be a consequence. Clearly we have to move in tandem to take measures, both in legislation and by example as a federal government and as legislators, to ensure that society moves toward not just perceived but real equality socially as well as economically. To deny one is to ensure that the consequences of the second will be that there will not be the equality that is necessary.

[*Translation*]

The Deputy Speaker: The hon. member for Québec has only 30 seconds left if she wishes to ask another question or make a comment.

Mrs. Gagnon: Mr. Speaker, I agree with the hon. member opposite that economic reality is linked to social reality. But I would point out that they have cut the budgets of community organizations which operate in different areas and put forward social programs designed to help the most disadvantaged in our society.

• (1240)

I agree with the hon. member. What I would like is a concrete fiscal measure that will also support these community organizations' social initiatives.

For the information of the hon. member opposite, an internal document on the proposed reform of precautionary withdrawal is now circulating, which does not mention the motion adopted by the Liberals.

[*English*]

Mr. MacDonald: Mr. Speaker, I thank the hon. member for her comment. I will certainly look at that.

The reality is that the best equality is a job, as the member for Western Arctic said. Unfortunately women in our economy do not participate to the fullness of their potential. It is only when we break down those barriers that we will have true equality.

I look forward to working with the member for Québec. I applaud her for her tenacity in raising these issues on the floor of the House. I am sure there are others, such as the member for Etobicoke—Lakeshore who has worked tirelessly on behalf of minority women and women in society, who would be prepared to work with her to ensure that these things come about.

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I rise with considerable confidence to speak in rebuttal to the hon. member's motion.

I am proud to be a member of a government and party with a heritage of unprecedented sensitivity and action on real and practical measures to promote the economic equality of women. I will deal with the question of our history and the economic reality of women.

The strength and vitality of the women's movement in Canada today can be traced back to the moment of clarity and power experienced 25 years ago. The occasion was the 1970 landmark report of the Royal Commission on the Status of Women.

At that moment women in Canada realized that equality of opportunity had become achievable. It was not just a Liberal government establishing the royal commission against all odds in 1967. It was also the will of women to make it happen. It was the alacrity with which the Liberal government of 1970 moved to respond to the commission's recommendations that inspired women to redouble their efforts to advance their status.

I think the member will agree with me that a Liberal government appointed Canada's first minister responsible for the status of women and the work that took place in 1971. A Liberal government established the office of the co–ordinator of the status of women in 1971 which has now become Status of Women Canada, the federal government's lead agency for government policy co–ordination related to women's equality. A Liberal government created the women's program in 1973 to provide financial and technical assistance to women's organizations and other voluntary groups working to promote the equality of women. The member knows the rich heritage and history of Liberals and their commitment to women's issues.

With the support of the Liberal government today women have succeeded in making the workplace more family friendly. Women are obtaining the support they need to balance work and family responsibilities for young children, for aging parents or for both.

Today with the support of the Liberal government women have also put issues like sexual harassment, pay equity, et cetera, on the workplace agenda. With the support of the Liberal government women are convincing other areas in society that these kinds of employment issues are not just women's issues. They are societal issues and they belong to all of us, men and women.

With the support of the Liberal government record numbers of women have started their own companies. In Canada today women operate 39 per cent of small businesses. According to the most recent survey undertaken by the Canadian Federation of Independent Business women entrepreneurs are doing very well.

Small and medium sized businesses are the major engine driving our economy, creating 85 per cent of all new jobs in Canada. According to my math, that makes women the major players in job creation in Canada today.

• (1245)

What is particularly encouraging is the increasingly dominant role younger women are playing in the creation of new businesses. As *Le Devoir* noted last week, 51.4 per cent of Canadian business proprietors under age 25 are women. According to 1991 figures complied by the CFIB, this compares to a 1981 figure of 30.6 per cent.

This is a good record and one that speaks highly of the government's support of the economic equality of women. This is the substance of the motion. All indications are that the growing prominence of women in small business will prove to be a major factor in our country's future growth.

I am pleased to note that the small business sector was the focus of several important commitments made in the budget of February 27. The finance minister declared the government is determined to remove barriers to the success of small business. We are equally determined to provide practical assistance to help Canada's small business survive and grow. It is essential that small businesses have access to the financing they need in order to continue being our number one creator of jobs.

To add to this the government will be working with the banks over the coming months to hammer out meaningful benchmarks for small business financing. One of the things we will be looking for is hard data on the success rate of women owned businesses so that banks can come to see that opening their doors and their pockets to women makes good business sense.

The budget also announced that we are substantially reducing government subsidies to business. In today's economy these subsidies are simply not cost effective in terms of job creation, productivity or growth. Nobody knows that case more strongly than business itself.

The government has decided to concentrate on the key engines of economic growth, as I mentioned, looking at the areas of science and technology and trade development. In fact, the government is working to create a policy environment that will

encourage and reward the innovation and flexibility needed to pursue the opportunities of the new global marketplace.

The potential is clearly there. The government recognizes that the women of our country have the imagination and determination to fully participate in the growing world economy.

It is important for the member who is speaking so eloquently on the gaps in the meeting of our specific and individual needs to note that the government and the members on this side of the House recognize the way in which we need to work and the progress we need to make in order to meet all of the requirements in the provision of the quality of life for women and their families.

In terms of the economic question and the motion on the floor, this motion needs to be rebutted. The Liberal government is fully aware of the commitments we need to make to the economic situation of women.

[*Translation*]

Mrs. Gagnon: Mr. Speaker, I am in agreement with my hon. colleague when she says that issues surrounding the status of women in 1995 are also societal issues. I agree with her. However, are there not still many women burdened with the responsibility of picking up their children at day care, and then going home to do another shift?

I would ask the hon. member if she is going to be able to get her colleagues to take action on day care facilities, because 50,000 spaces a year were promised and we are short 35,000 spaces in Quebec.

• (1250)

Will the transfer to the provinces take place? We have reached 3 per cent of GDP. It is time the Liberal government delivered on this promise, which was one of the promises in its red book.

I would like to know if we can count on our colleague with respect to this issue, which is a particularly thorny one for women. Without day care facilities, women will not be able to enter the labour market if the government waits too long. There are 2 million day care spaces Canada wide, with a shortage of 35,000 in Quebec.

What we in Quebec want to see is not the enforcement of national standards by the federal government, but the implementation of transfers to the provinces so that the government of Quebec can better respond to a great demand from the women of Quebec.

Furthermore, during the consultations on the future of Quebec, several women's groups asked for this assistance so that women can break into the labour market.

[*English*]

Ms. Augustine: Mr. Speaker, I agree with the member across the way that in order for women to fully participate in the economic life of the country, it is important that we begin to address issues such as women as child givers, women as care givers and women who participate in the care of elders in a specific way.

It is also important to note that we have made some commitments. We made a commitment to increase the number of child spaces when we reach a certain percentage of the GDP. That promise is still on the books. We have not reversed our position on our commitment to child care or the commitments we made to ensuring employment equity and the whole series of issues and commitments we made to women.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the hon. member, who is also the Prime Minister's parliamentary secretary, is probably familiar with numerous issues, particularly those which concern the status of women. A document is currently circulating regarding the Labour Code reform.

I remember that when the last such reform took place, in May of 1992 if I am not mistaken, I proposed an amendment so that the same conditions would apply under both the federal and provincial labour codes, regarding precautionary withdrawal of work for pregnant women. The Quebec Labour Code provides that women get paid 95 per cent of their salaries, compared to 60 per cent under the federal code.

That was a housekeeping amendment which, of course, reflected the notion of flexible federalism, and the Liberals, then in opposition, supported that proposal. Consequently, my question to the hon. member is: Now that the Liberals are in office, why is that amendment not included in the proposed Labour Code reform which the government will table in the next few weeks?

[*English*]

Ms. Augustine: Mr. Speaker, we need the collaboration and co-operation of the members across the way to do a whole series of things. Just as the member is asking for our co-operation in this respect, there are certain ways in which we also should be asking for his collaboration as we move forward.

The issue of the status of women is not just a Quebec issue. It is not just an issue outside Quebec. It is an issue for all women. Therefore we each need to be concerned about the status of women in Canada, to speak about the status of women in Canada and to work for the laws, regulations, policies, equity issues that would bring about the quality of life for all women.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, I will share my speaking time with the hon. member for Laurentides.

It is always an honour and a privilege to rise in this House, and members should always remember that when they do, they represent those who elected them.

• (1255)

Today, I am doing exactly that, and I am thinking more specifically of the 52 per cent of the residents of Shefford who are women.

The federal budget for 1995 tabled by the Minister of Finance totally ignored the social contract between the government and the majority of taxpayers in Quebec and Canada. The budget brought down by the hon. member for Lasalle—Émard ignores the economic and social realities facing the middle class and the less well–off groups in our society.

This budget denies women the right to a fairer and more equitable society. In fact, the budget is just a smoke screen to hide the real problems.

Left out of the budget altogether are measures to ensure that women get equal pay for equal work and a better standard of living. Last year, the Liberals voted in favour of measures that would be fairer and more equitable. Today, those promises have evaporated.

In fact, in the key sectors of health care, social assistance and post–secondary education, the Liberal government actually decided to make the worst, not the best but the worst of a bad situation. The first to suffer as a result of cuts in transfer payments to the provinces will be women and children.

The federal government has offloaded its financial problems on the provinces and on, Quebec, without considering the impact these cuts will have on women.

In addition, Ottawa has decided to launch a second attack on women who are senior citizens by calculating the amount of their old age security cheque according to the income of their spouses. This reduction comes in addition to the reduction in the age tax credit announced last year.

I deplore the fact that the federal government has offloaded its problems on the provinces instead of eliminating overlap and dismantling tax shelters that deprive the government of hundreds of millions of dollars annually.

The government's priorities are not in the right place and lack vision. You would think Ottawa was managed by a bunch of brokers looking for a good deal and speculating on the short term market with other people's money.

I do not mean to criticize the profession as such, but this is not what we need here in Ottawa. Those who govern us should be responsible people who are prepared to listen to the majority of taxpayers who are sick and tired of being squeezed.

Take, for instance, the Canada Assistance Plan, also known as CAP. Despite the provisions in the assistance plan regarding subsidized day care services, the shortage of adequate and affordable services remains a significant problem for a very large number of families with one or more children.

The lack of day care spaces is a fundamental concern for low and middle income parents.

This is a deep social concern, a concern which was expressed in the red book, this famous red book of the Liberal Party, which we might have thought would lead to some action plan.

We can read on page 38 of the red book, and I quote: "Canadians with young families need a support system that enables parents to participate fully in an economic life for the country— Recent research by the National Council of Welfare indicates that the single best predictor of whether a family has adequate economic resources is whether it has two wage earners. A growing majority of Canadian families need two wage earners to achieve a reasonable standard of living. The availability of good quality child care at an affordable cost makes the difference between a family living at the edge of poverty and a family living with a moderate standard of living".

• (1300)

This is straight out of the red book. A good child care system, affordable for all, is an economic advantage. It allows poor parents to re–enter the work force instead of having to continue to rely on social assistance and food banks. It also creates jobs, especially for women, since on average one job is created for every five children in day care.

Therefore, the Liberal principle of a service allowing access to financial independence remains a promise, it has been shelved, like all the nice sounding election promises which will be conveniently forgotten before the next election campaign.

According to the Liberal red book, in each year following a year of 3 per cent economic growth, a Liberal government will create 50,000 new child care spaces. We have reached this rate of economic growth this year. Since child care which is funded by governments is funded 50/50 by the federal and provincial governments, what will become of the spaces promised by the Liberals, if the government cuts transfer payments to Quebec by $350 million?

What will become of the 40 per cent of the costs of new child care spaces to be assumed by the federal government, which is evaluated at $120 million in 1995–96, $240 million in 1996–97, and $360 million in 1997–98, amounting to $720 million over three years? These figures come from the red book. It has been a long time since the red book, the Liberal bible, has been mentioned. What happened to all the nice Liberal promises?

Let us now talk about social housing. As a whole, the 1995–96 budget puts an end to any new initiative in this area. Since close to 17 per cent of Quebec families and 16 per cent of Canadian tenants spend more than 50 per cent of their income on rent, it is

easy to understand why social housing needs are so huge and why offloading will have enormous long term consequences. Women, who represent an important clientele, or 57 per cent of social housing, will be the hardest hit by these cuts.

The 1995–96 budget also means that the 40,000 people on the co–op housing waiting list of the CMHC—The Canada Mortgage and Housing Corporation—will have to wait months, even years, before a unit is available. There is no longer any hope of building new ones.

CMHC will close 20 branches across Canada. In Quebec, the Longueuil office will close while in Sept–Îles, Rimouski, Val–d'Or and Trois–Rivières, only one person will remain on duty, working at home. Successive decommitments by Ottawa clearly demonstrate the limitations of administrative agreements between Quebec and Ottawa in cases of unilateral withdrawal.

Today, Quebec is caught off guard by the extent of Ottawa's financial pull out in the social housing sector, because it counted on the federal government as the major source of funds in the agreement. Unable to compensate for this unilateral withdrawal, Quebec must review its plans and cancel the construction of new low rent housing units that had been promised to municipalities.

Because of the community help readily available there and the low cost of housing, the co–op formula was an interesting option for single parent families, which are headed mainly by women.

• (1305)

Community help such as child care is a very influential factor and explains why a much greater number of single parents living in co–operatives are in the workforce. If we do not respond—

The Deputy Speaker: Unfortunately, the member's time is up. If there is unanimous consent, the member may continue. Is there unanimous consent?

Some hon. members: Agreed.

Mr. Leroux (Shefford): Thank you, Mr. Speaker. I will be careful in my closing remarks.

Access to affordable, quality housing is recognized as a pre–requisite to the fulfilment of other needs, such as education, health, labour force productivity and social security.

In this period of budgetary restraint, Quebec and Canadian society are giving priority to the housing needs of less fortunate Quebecers and Canadians. These are the people who interest us, the less fortunate. Social housing has a particular role to play in meeting these needs. The federal government must continue to give top priority to funding social housing. By maintaining this program as a priority today, we will avoid higher costs in other areas down the road.

The government has no right to sacrifice so many families, so many women and so many years of hard work in an attempt to maintain harmony in a society that prides itself on being just and fair.

Mr. Mac Harb (Parliamentary Secretary to Minister of International Trade, Lib.): Mr. Speaker, how can we ever please our Bloc Quebecois colleagues? One day, they want certain federal responsibilities to be delegated to the provinces and, the next thing you know, they say these responsibilities should remain with the federal government.

Housing is obviously an area of provincial responsibility. But if my hon. colleague is suggesting that the federal government should assume more responsibilities than the provinces, I am prepared to join him in making representations because I agree with him that the federal government often does a better job than the provinces in certain areas.

The hon. member mentioned day care. I want to point out to him that, last spring, the federal government announced the establishment of a task force on the tax treatment of child support. As my hon. colleague knows, this task force was presided by the secretary of State responsible for women's issues. The task force held public hearings and travelled across the country to seek the opinion of the provincial and territorial governments.

I am sure that, if my hon. colleague gives this government just a little more time, he will see that we can put in place legislation that will meet this need. Just bear with us.

Mr. Leroux (Shefford): Mr. Speaker, first of all, I will say to my colleague that our top priority in coming to Ottawa was to defend Quebecers' interests. That is what we are doing. Second, we hope to set up our own country. Unfortunately, the hon. member did not understand this.

In response to his question, I remember last year's debate on child poverty. However, it must be understood that if there are poor children, it is because there are also poor parents. Children are not living in poverty by themselves. The poorest members of our society are women, and that is what I am saying today.

They are often single parents with sole responsibility for raising their children. As you know, poor children cannot do well in school. If they do not have what they need at home, they cannot succeed and hope to find a way out. It is important to keep this in mind.

• (1310)

As you know, Mr. Speaker, when the Liberals were on this side of the House, they delivered some great speeches. Now that they have crossed the floor—normally, a party, once elected to govern, has a tendency to sit pat—they have not been sitting pat, they have been lying down on the job. What they should do first

is look at their social policy. As we remember, under Trudeau, they spoke of a just society, an extraordinary society. I think that today's Liberals put all that aside and are now worse than the Tories.

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, once again, it is with great pride that I rise during an opposition day totally dedicated to the situation of women, and more specifically their economic equality.

For the second consecutive year, the Bloc Quebecois, through the hon. member for Québec, tables a motion dealing exclusively with the situation of women. Special days like this one are essential, since they provide us with an opportunity to take a look at our place in society and, hopefully, further our cause.

Today's motion reads:

> That this House denounce the government for its insensitivity and its inaction regarding the adoption of concrete measures to promote the economic equality of women in federal areas of jurisdiction.

First, I want to denounce a recent decision made by the Liberals which clearly shows the relevancy of our motion. I am referring to the merging, as of April 1st, of three women organizations. Indeed, the Secretary of State for the Status of Women announced that she will lump together the Canadian Advisory Council on the Status of Women, the womens' programs of the Department of Human Resources Development, as well as Status of Women Canada.

That announcement made by a woman is very disappointing. It clearly shows a lack of seriousness and respect for women. The secretary of state should be ashamed and go into hiding for making that decision.

By grouping these services under Status of Women Canada, the Liberal government abolishes the Canadian Advisory Council on the Status of Women. This is yet another centralizing measure of the Liberals, who do not know any better.

By merging the CACSW, the government is depriving women of an independent organization which conducted research and promoted education for women, not for the government. The independence of the council was essential to allow it to fulfill its mandate. The council could exert pressure on the government. It could point a finger and denounce the government's inaction regarding the situation of women.

As of April 1st, this so–called Liberal government will have total control over that organization. Women will be gagged.

April 1 will be a sad day for women. I trust that Liberal women will stand up in turn to denounce this decision. Solidarity among women is much more crucial than solidarity at a political party level.

I will not say more about this anti–women decision.

As for unemployment, according to the February 1995 statistics, 642,000 women were unemployed in Canada, or 9.5 per cent. In Quebec, the rate was up to 11.6 per cent, or 187,000 women. There were also 280,082 women on welfare in Quebec.

What is the federal government doing to lower the unemployment rate among women? Nothing. It sits tight and puts its trust in the economic recovery. It has adopted a laissez faire strategy.

Where are the jobs that Liberals kept promising? Where are all the training and upgrading programs for women? Where are the services promoting women's presence in the labour market? None of these promises have been kept. The only measure touted by Liberals as contributing significantly to job creation is the infrastructure program which was to create 45,000 temporary jobs over a three year period.

• (1315)

The Liberals bragged about this so–called beneficial program. They said it would help men and women get back to work.

The results have been rather disappointing. Seasonal temporary jobs. This program only provided short–term jobs to people already in the labour force and did nothing to create new jobs for the unemployed.

This program completely ignored women on unemployment. Indeed, women's groups had asked the minister concerned to establish certain rules that would allow women to have access to some of these mostly non–traditional jobs.

To my knowledge, the minister did not grant what seemed to be a legitimate request.

Despite all the promises made by the Liberals, we still have women on unemployment, women who work for a while on some project or program, then go back on unemployment and end up on welfare. These women are caught in this vicious circle and will never be able to get out of this difficult situation for good.

The federal government is not helping women, worse, I really think it is harming them. The federal employment, training, upgrading and unemployment programs are not up–to–date, they are not flexible nor creative. The programs, services and conditions have been the same for years now, even though the labour market is constantly changing.

The results of this rigid system are terribly disappointing. Women cannot meet the needs of the labour market rapidly and effectively.

I would like to give you a very concrete example which demonstrates how inefficient the federal system is. A few months ago, I met in my riding office a woman who is a single parent living on a meagre $170 a week unemployment insurance benefit.

To get out of this difficult situation, she wanted to attend classes in bureautics offered by her regional school board. This much vaunted program, which offered interesting work prospects, lasted 18 months. The federal government does not pay for 18–month courses. In fact, it only recognizes programs where students graduate after 12 months.

As a result, this woman continued to receive her meagre benefits till the end.

Once her benefits had expired, she enroled in a program entitled "Introduction to non–traditional trades". Thirteen women registered for this 14–week training course leading to a job. According to the information I have gathered so far—since this program is on now—this program clearly does not work.

Non–traditional trades are not that common and job opportunities in these areas are practically non–existent in a tourist area like mine.

Then, why is the federal government offering this program? Why does it spend money in vain? Could it not carry out some studies to see if the labour market in my region is accessible to these women and if job opportunities are really there? If not, what good does it do to direct these women towards this training program?

Unfortunately, it seems this program is simply offered for the fun of it.

And these women can see after a few weeks that they are involved in something that leads nowhere. And yet, they were ready to invest their efforts and energies in this program to see the light at the end of the tunnel, that is, to find a job.

Instead, they are offered a strangely structured program where they are told about self–esteem and about the need to take their future in their own hands, to go for it. They are almost handed a mirror and told: "Look, you are the only one to blame if you do not work. So, do something about it!"

These women do not want that kind of therapy. They want something concrete, something real. They want to learn something that will help them find a job.

As I see there is only one minute left, I will conclude rather quickly.

Women are worth as much as men. Our society, our lifestyles and our values were such that women were not appreciated for their true worth. It is now time to correct this, and fast.

In light of some of its actions, it is clear that the Liberal government is not ready to take big steps in that direction. In spite of all the promises that were made to women in several areas, the federal government is very hard on women. The announced reform in the unemployment insurance program and old age pension does not augur well.

Thus, I encourage all the women in Quebec to say no to an increasingly threatening federal system.

• (1320)

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, the hon. member opposite has made some remarks that I find very curious coming from her.

Firstly, she talks about solidarity and she belongs to a party that does not promote solidarity among all Canadians, including women. Secondly, with regard to solidarity, we have, on this side of the House, all the women who represent the government who have proven that they are in favour of solidarity. For example, on March 8 of last year, we opened a debate to all women on both sides of the House.

Now, I would like to ask a question of the hon. member. She gave the example of a woman who had come to her office complaining that she did not have access to government programs. Does the member not know that our budget provides for transfers to the provinces so that they can assume responsibility for these programs? They will be the ones who will be delivering these programs. That is what the member's party asked for and that is what we are doing. We both know that when women achieve economic equality, they will have equality in all areas. My question to the hon. member is this: Does she agree with me with regard to transfers?

Mrs. Guay: Mr. Speaker, the government says that it will transfer more powers to the provinces so that we can have our own programs tailored to our particular needs, but it should also consider giving us the money that we need to deliver these programs.

The federal government is getting ready to transfer to the provinces powers or, rather, responsibilities that we cannot afford to exercise. I think it is a very serious problem that we will have to face in the coming years. Imagine! At least Quebec has a good structure, but in some other provinces, particularly the smaller ones, it will be a big problem.

Secondly, when the hon. member talks about solidarity and says that the government cannot count on the Bloc Quebecois, I will remind her that, last year, we introduced a bill on unemployment insurance for women. I do not know if the member remembers that, but we asked women in this House to show some solidarity with regard to this bill so that women who work with their husbands would not be penalized under the unemployment insurance program. The member's party voted against our bill that would have been beneficial to women. We called for solidarity among women. I will tell you one thing: as long as this solidarity among women does not exist, regardless of their political affiliation—and it certainly does not exist in this House at this moment—women will never get anywhere. Yet, we account for 52 per cent of the population. The hon. member has nothing to teach me and I think it is time she got her act together. When she sees a bill like the one we have introduced in this House, she should think twice before voting against it.

Mrs. Bakopanos: Mr. Speaker, I am working for solidarity among all Canadians and, on this side of the House, we have shown that we encourage women to run for elections and get elected. Look at the number of women in the two opposition parties.

But I have a question to ask. We talk about solidarity with regard to legislation. The government recently introduced Bill C–64, an Act respecting employment equity. We asked for the support of the members opposite. I believe that this bill will give women new opportunities to achieve economic equality. Why did the other parties refuse us their support?

Mrs. Guay: Mr. Speaker, I think that the hon. member is wrong. I could show her a bill that was exclusively for women. The bill she referred to is not legislation for women, it is very wide in scope. We will not support a bill just because the hon. member says to.

The bill we talked about dealt exclusively with protecting and helping women. So, when she talks about solidarity, I am sorry, but I beg to differ. She also mentioned her political party, where there is a fair number of women, a party that encouraged women. I can say that in the Bloc Québécois, we as women had to fight on the same terms as men and I am very proud of having been elected here, not because I was chosen by my leader, but because I fought and won in a nomination convention, like everybody else.

• (1325)

Hon. Roger Simmons (Burin—St. George's, Lib.): Mr. Speaker, first of all, I would like to thank my friend the hon. member for Québec for raising an issue that is both important and relevant. Her motion reads as follows:

> That this House denounce the government for its insensitivity and its inaction regarding the adoption of concrete measures to promote the economic equality in federal areas of jurisdiction.

That assessment does not seem accurate to me.

[*English*]

The motion gives us an opportunity, I say to my friend from Frontenac, to discuss an important issue but the wording of the motion is a bit dishonest. To put it more bluntly, it is just not true. During the next few minutes let us examine the record, because it is not true. I am very proud to be here because I take real pride in the government's record in promoting social justice and economic parity for the women of this country.

I am encouraged that the member would put forward the motion on the issue of women's economic equality because what could be more important to Canada than the well–being of more than half its population? It is only when women and our families thrive that our country will be truly renewed.

The motion before us raises an important question. What has been the track record of this government on issues that affect the economic status of women? The short answer is that this government has done a great deal in a relatively short time. The government made commitments in the election campaign and the government is living up to those commitments. Before we get on to specific ways in which the government has honoured its commitment, let us look at the context for all of this.

It has become a truism that the best social program is a job. That point has been made by people from both the right and the left of the political spectrum. Well over 400,000 people can say they have taken part in the greatest social program of all since this government took office in October 1993. There is evidence that record will continue strongly. These are predominantly good, full time jobs. Women are claiming their full share of this growth. At the same time, the government is aware that economic growth by itself is not enough.

Women still remain clustered in traditionally female occupations such as teaching and nursing, clerical, sales and service work. If all the government did was to rely on the market as some in this House would prefer to do, we would see only a glacial, painfully slow change in the labour situation as it relates to women.

This government can do better. We must do better to recognize as the government does the continuing need to help women move into new growth areas. It recognizes that its own programs and services can help bring us closer to that goal.

The federal side has a number of innovative projects aimed specifically at addressing the needs of women. Since it is the hon. member for the riding of Quebec whose motion we are discussing, let me talk briefly about a couple of projects for women that are under way in her own province of Quebec.

Since last October, Rimouski has been home to an entrepreneurial training project. Women of all ages with business creation projects have been receiving the skills they need to create successful small businesses. The project has focused on the needs of women without sources of income.

• (1330)

What is equally important is the team that has pulled this project together. The local Canada employment centre, the CEGEP de Rimouski and the group Ficelles, whose purpose is to ensure women's access to work, have all co–operated to make this dream a reality. It is consistent with our interest in encouraging self–employment as the way toward economic self–sufficiency.

In Montreal there have been a couple of projects. In one, women who are on unemployment have been receiving modern technological training and support to help them move back into

the workforce and into more highly skilled jobs. In the other, recent female immigrants have been trained as fibreglass mill operators.

These are examples in one province. There are many more in that province and there are many more all across the country. Our new programs for youth share this commitment to the needs of women. Youth Service Canada has been a real success story. In the lead site projects, the ones that tested the concepts beyond Youth Service Canada, 54 per cent of the participants are female.

Some projects were focused on issues of particular interest to women. For example, the Regina family service bureau ran a project that helped 10 young single mothers.

Employment programs and services are only one element of our work for women. Unemployment insurance is a program that continues to play an important role as we move toward a more active labour market policy. There are some elements of UI such as maternity and parental benefits that respond to the labour market reality faced by female workers.

To my friend from Yorkton—Melville and my friend from Edmonton Southwest, despite their professed beliefs it is important we have programs that help women respond to the labour market reality, programs such as maternity and parental benefits.

We do not have to go far back in time to find how this program has been adapted to the needs of women. We need only go back one year to 1994. The government decided to scale back UI benefits. However, in doing so it took into account the situation of people on low incomes. Almost 60 per cent of single parent families with children under 18 live on low incomes. Far too many are single mothers struggling to make ends meet.

It is that situation that caused the government to create the special 60 per cent dependency benefit rate for people who are supporting dependents on the basis of low income. This year people who earn an average $408 a week or less and who's spouses get the child tax benefit or who support a dependent are eligible for this additional UI support. That provision makes a real difference for a single mother. Since the implementation of the dependency benefit rate over 192,000 claimants have qualified. The great majority, 148,000, were women.

The government recognizes the labour market needs of women extend well beyond the traditional programs and services, no matter how sensitive these services and programs. The National Association of Women and the Law stated in its appearance before the Standing Committee on Human resources Development a year ago: "We recognize the growing importance of women in the labour force, but fail to recognize that women have children and women are primarily responsible for their care".

Child care is important. It was a concern of ours during the 1993 campaign. It is a need that we are addressing on three separate fronts.

• (1335)

The government is moving ahead on its First Nations and Inuit child care initiative. The goal is to increase the level of services in those communities. There is so much more. A second front is a research and development component to give us more information in this critical area of child care.

I have pages of programs the government is working on. We are not there yet. We are working at it and I believe when we get there the women of this country and therefore this country as a whole will be the better and the richer for it.

[*Translation*]

Mr. Jean-Guy Chrétien (Frontenac, BQ): Mr. Speaker, my distinguished colleague from Burin—St. George's is an outstanding parliamentarian, and he regularly demonstrates his skills when he takes the floor.

The thing I disapprove of is that his party and, to a certain extent, the hon. member for Burin—St. George's himself, talk out of both sides of their mouth. I would like to give an example, that of the Canada Labour Code reform and precautionary withdrawal from work.

I do not need to remind you, Mr. Speaker, that the family unit is the most valuable asset of any country. In May 1994, the Bloc Quebecois tabled a motion supported by the governing party, the Liberal Party of Canada, in order to raise the compensation for pregnant women to the 95 per cent level provided by the Quebec CSST. Right now, it stands at 60 per cent.

A discussion paper on the Canada Labour Code reform is being circulated at this time, and the Liberal Party of Canada did not include that motion, which it supported in May 1994, to give substantial assistance to pregnant women who must ask for precautionary withdrawal from work in order to carry their pregnancy to term and protect their unborn baby.

Like the rest of us, the hon. member for Burin—St. George's is certainly aware of the importance of the family unit, that is a wife, husband and children—the complet unit. The children will be the work force of tomorrow and will pay for our pensions. That natural asset of our country is now declining.

We moved a motion that the hon. member's party supported, but what we see and hear in the House today is just a lack of courage, and double talk, Mr. Speaker. Unfortunately, the hon. member for Burin—St. George's is the one who will have to clarify his party's position. I hope he will set the record straight, because this is an important motion on the equality of women.

[*English*]

Mr. Simmons: Mr. Speaker, my French is so rusty these days that I will do the wise thing and talk to him in a language that I know a bit about. I will make a promise to him that I will get back to my long neglected French.

I thank him for his kind comments about my speech. I share very much his views on the importance of the family unit. I thought he articulated it very eloquently a moment ago and I salute him for that.

As to the motion he was talking about, I plead ignorance. I do not remember the details of it and I will not pretend that I do. He put his finger, and rightly so, on one of the many areas in which this government needs to move.

• (1340)

I have always been appalled that remuneration has been on the basis of sex; that females have been getting lower wages for performing the same services. There are thousands of examples of that. I have been appalled that people are paid differently because they live in one region versus another. Two wrongs do not make a right. These disparities have to be corrected.

We are on the matter of women's issues today. I do not like the term. They are all our issues, but I know what is meant by the term.

The member flagged an issue that I pursue and will continue to pursue. The matter of the disparity of wages is untenable and we have to move to correct it as soon as possible.

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, while I do not appreciate or accept the tenor of the motion presented for debate by the hon. member for Quebec, I recognize and thank her for giving us the opportunity to talk about such an important aspect as the quality of the connection that Canadian women have to the social and economic infrastructure of Canadian society.

It is a critical topic. As one of the 50 some women elected to the House it is incumbent on me to do whatever I can to encourage our governments and our legislature to understand where that connection is and make it better.

In her motion the hon. member focuses specifically on the economic connection, the economic side of the connection that we as women have to Canadian society. We have to speak about both the economic and social support that we as women need if we are to participate fully and completely in Canadian society and offer a bettering of the society through skills, abilities and qualities we bring as women.

In understanding the connection between social and economic development I turn to September of last year when I had the opportunity as a member of the parliamentary delegation to the United Nations conference on population and development to understand quite fully the impact development has on population.

We did a lot of very good work at the conferences that were the preliminary to those debates in Cairo to encourage an understanding of the impact development has on population management, more specifically to understand that when we talk about development we do and must talk about both social and economic development.

We played a very significant role in helping the world understand that it is the strong connections that women must have to both the social and economic supports that exist in a society that will in turn improve the development and the productivity of a nation and then in turn enhance and help manage population control.

We were essentially talking about development in developing nations. As I worked with and talked to colleagues from around the world I realized this debate is still going on in all developed nations. Canada is at a different level because of the hard and dedicated work of many Canadian women. When we think of the women who work so hard to get us recognized as persons not so very long ago, they helped move us to the position we are in now.

• (1345)

I think of some of my friends. Doris Anderson worked outside the government sector with non–governmental organizations and as a publisher of a well–known women's magazine. I think of the work she has done. I think of Lucie Pépin, a friend and colleague, a former member of Parliament who has worked so hard on behalf of women's issues. All these women have brought us, as a developed nation, to a point that is different from those of the developing nations.

The conversations we had in Cairo focused on the need for women to commit, with development on the social side, to very basic things when it comes to health: access to tetanus, polio and tuberculosis cures and shots, access to clean water. Basic health measures are what they need.

When we were talking about education we were talking about access to primary school education. When we were talking about access to economic support we were talking about the basic notion that it was okay for women to work outside the confines of the defined home as we know it.

For us in the developed nation of Canada, we are talking about things of a different sort at a different level. It is not so much basic health issues but issues of research for women and the impact of breast cancer and the impact of heart disease.

When we are talking about education we are encouraging our young women to complete high school and post–secondary education. When we are thinking about other social aspects such as safety and comfort, not only in our streets but in our own homes, we are having to understand family violence and to

accept that it is not in any way, shape or form something that we want to be part of our society.

When we think specifically about our connections with the economic levers we are talking about women having access to financial supports. The government is looking at these things and working on them all. For the Bloc Quebecois to say that we are not is really a falsehood.

When we go back and think about safety and the need for women to have confidence they are supported in our society, we look at the measures the Minister of Justice has undertaken. Just recently he tabled a bill that will no longer allow drunkenness to be a defence, particularly in cases of rape. We will see tabled soon I am sure, considering the importance of support payments to single parents, most often women, some changes in that regard and those will be tabled in the near future.

Today, as we debate Bill C–41 in committee, I will be tabling an amendment to the bill that will ask, under the section where we are discussing restitution, that the courts turn their head to the loss of income and support that can occur in cases of family violence. It should recognize that restitution should be paid to women who have to leave their homes as a result of family violence and perhaps incur costs related to transportation, alternate forms of housing and day care, drug and dental requirements. I hope that members of the Bloc on the committee will support me on that amendment.

These are things the government is doing to make sure that Canadian women are connected and supported on the social side.

I know the Minister of Health is working very hard and diligently and has implemented a fresh start program for aboriginal communities which is very important.

When we think about education, by and large a provincial jurisdiction, as individual members of Parliament, women in particular, we have a strong role to play in making sure that our young women do and are encouraged to carry on to high school, college and university and to set their sights as far ahead of themselves as they possibly can so they do not get stuck in female ghettos, in typically female occupations.

One of the most important parts of my job is to meet with young people in my community, in the public schools and high schools, and talk to them about what a woman can be in our country.

• (1350)

Very recently I attended the Daughters of Invention, where grade seven girls came together and spent a couple of days talking about science and research. As we were discussing role models and women, I asked them: "Back in 1867 when Confederation was discussed, do you think your grandmothers would have voted for Canada or against Confederation?" They put their hands up, some yes and some no. I said: "Do you know what girls? Your grandmothers could not vote back then. They were not even considered persons". There was an embarrassing ah–ha. They did not realize that.

It was at that point I realized that my job as a member of Parliament is to make sure that optimism, I suppose to a certain extent that naivete, cannot continue, that they know that as females there are restrictions on them but that they can participate fully and equitably in our society.

When it comes to the economic side, there are many things we have to do. I can only say how strongly I support the employment equity legislation that encourages Canadian businesses to recognize the importance of having a broad mix of people in their organizations. We are not talking about quotas. We are talking about recognizing people for the skills and abilities they have and that they bring to an environment. It is legislation we are improving and that I strongly support.

With that, I see that my time has gone. There are so many things we can talk about. Again I thank the hon. member for giving us the opportunity to debate and share our ideas in this regard.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, I would like to ask my hon. colleague, who probably knows, whether there is a different treatment for pregnant women in a situation of precautionary withdrawal of work.

The Bloc Quebecois had proposed an amendment at the time of the last Labour Code revision in 1992 to authorize the federal government to make administrative agreements with any province that had a system providing better conditions than those provided for for women in the Canada Labour Code, in cases of precautionary withdrawal of work.

The Liberal Party, then in the opposition, had supported the amendment put forward by the Bloc. Now, we are about to revise the Labour Code. There is a paper from the Department of Labour circulating, but there is no provision in that paper for administrative agreements between the federal government and any province. That is what the amendment was all about; we were not referring to Quebec but to any province whatsoever, and those administrative agreements were along the lines of flexible federalism, I would imagine.

I would like to know if the hon. member will undertake to ask her government to include in the legislation provisions dealing with precautionary withdrawal of pregnant women in order to enable the federal government to make administrative agreements with any province that has better conditions than those provided for in the Canada Labour Code, since at least in the case of Quebec they are not as good as those provided for in the

Quebec Labour Code. Is she agreeable to such a request and will she approach her government's labour minister about that?

[*English*]

Mrs. Stewart (Brant): Mr. Speaker, I am not completely familiar with the amendment to which the hon. member is referring. I will apprise myself of it.

I would agree and say that we have not come to the point where the salaries paid to women in the workplace are equal to those to men. That is something we are always conscious of, working toward and committed to.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, I have a question for my colleague. I saw her applaud the announcement made yesterday by the Secretary of State for the Status of Women regarding the elimination of the Canadian Advisory Council on the Status of Women.

I would like to ask the member how civil servants can ensure the transparency which, I think, the Council now provides. How can she guarantee that civil servants will implement without any bias the different policies which will be put forward? How, in fact, can the department act as both judge and jury? I would like her to explain this because it seemed to delight her yesterday.

• (1355)

[*English*]

Mrs. Stewart (Brant): Mr. Speaker, I know a number of the women who for many years have participated on the Advisory Council for the Status of Women and say that we have appreciated the work they have done over the last number of years.

I believe that the announcement made by the minister was a good one. It essentially brings together disparate sectors that have been focusing on improving the status of women in the country in a consolidated effort. In a consolidated way we will be able to make significant progress in effort and on behalf of women with her announcement.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I am happy to speak today to the motion introduced by my hon. colleague from Quebec. I commend her for introducing into the House a good discussion on the whole issue of equality. It is an issue that has a lot of interest in the country, one that a lot of people are concerned about.

One of the lessons of history is that personal struggle and achievement go hand in hand. In fact, I know that is true for many of us here. Sometimes the Canadian public feels that members of the House do not know what personal struggle is about. I know from speaking to many of my colleagues, and from personal experience, that we do have personal histories of struggle and achievement.

It is important for many of us to realize that these issues are not just something to be debated in the House, but they are issues which all of humankind have struggled with for many years.

I would like to outline to my colleagues some of my personal background in this area. I am the oldest of seven children. My parents were not well off, I think poor would probably be an accurate word. If I wanted money I always had to earn it. I have worked since I was very young in the summers and weekends to have the money I wanted.

The day I left home when I was 18, my mother came home with my youngest brother and so the family kind of went on even though I was going on with my life. My parents were not able to help me with my education. I put myself through two university degrees. I was also widowed in my thirties. My husband died very suddenly, leaving me a single parent and sole support of the family.

I became a professional person, a lawyer, before there was any affirmative action and before there were any nice government programs to help women achieve equality. Many people who I know are very proud and very happy to have been able to make the achievements in their life on their own merit.

The subject of this debate today is how we can best achieve the kind of results we want from our life—

The Speaker: The hon. member, of course, will know that immediately following question period, we will return to debate and she will be given the floor.

It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members, pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

THE BUDGET

Mrs. Carolyn Parrish (Mississauga West, Lib.): Mr. Speaker, I rise in the House today with pride and some dismay.

I am proud of the Minister of Finance who has proposed in this year's budget the most dramatic comprehensive changes in government since World War II.

I am proud to be part of a government that has met, and will continue to meet, the objectives necessary to wrestle the deficit and debt that are damaging the country to the ground.

My dismay has mounted over the past several weeks while I listen to the members of the third party refuse to join us on this

side of the House, however grudgingly, and working for the future prosperity of this beautiful country.

They ran on the concept of a new type of politics that does not follow the old partisan ritual and dogma. Why then are they voting no to the challenge we now face?

Why is their leader currently communing with the spiritual leader of the new right wing of the United States, being tutored in barbaric doctrines which slash seniors pensions and allow orphans to be institutionalized? Why is the leader of the third party not participating in this country's rebirth instead of observing the machinations of an evil, bitter monster to the south?

* * *

[*Translation*]

TAXATION

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, taxpayers in Quebec and Canada have lost confidence in the Canadian tax system. The underground economy is spreading. Tax accounts outstanding exceed $6 billion, and in the case of the GST, $1.3 billion.

Furthermore, the tax system is full of holes. Wealthy taxpayers and large corporations can afford to pay tax experts for advice on how to take advantage of tax loopholes. For instance, they can take advantage of the fact that Canada has signed at least 16 tax treaties with countries considered to be tax havens. Every year, ten of thousands of profitable businesses pay no taxes at all. Meanwhile, the Minister of Finance is letting individuals pay 65 per cent of the tax increases in his last budget, while family trusts will have to wait until 1999.

In spite of all this, the Minister of Finance still refuses to proceed with a complete overhaul of the tax system that would eliminate fiscal inequities.

* * *

[*English*]

MOUNT ALLISON UNIVERSITY

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, in 1991 Mount Allison University in Sackville, New Brunswick was in a financial mess. It had a deficit of $2.5 million and a debt of $10 million. Like the federal government it desperately needed to get its financial house in order. The current president of the university, Ian Newbould, was recently quoted in *Maclean's* magazine as saying: "If we were a corporation we would have been in receivership".

In over three years that university has eliminated its debt and created a surplus of $13 million. Clearly the goal of the university president was not to achieve a smaller deficit. Instead, satisfaction would only come with no deficit and zero debt. The goal was achieved through responsible control.

The finance minister stood in this House and expected praise for a deficit prediction of $25 billion. Some provinces, and universities such as Mount Allison, have become the national standard of fiscal responsibility. The minister needs to take a hard look at how the real world manages its finances and reflect on how he failed to measure up to the Canadian standard.

* * *

RURAL CHILD CARE

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, farming is not a nine to five business. It involves early mornings, late nights and weekends, which most child care operations do not accommodate. As a result parents are forced to leave their children alone or take them along when they work with heavy machinery or livestock.

For every six deaths resulting from farm accidents, one of those victims is a child. Fifteen per cent of those hospitalized as a result of farm accidents are children under 16 years of age.

Last week was National Farm Safety Week. I would like to recognize the people and organizations who are working to find flexible, accessible and affordable solutions for rural child care, namely: the National Coalition for Rural Child Care; the Women's Institute; the Rural Development Institute of Brandon, Manitoba; and many others. I applaud their commitment and dedication to the safety of farm children.

* * *

PUBLIC SERVICE OF CANADA

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, I speak today on behalf of our friends and colleagues of the federal public service. Several members of that employment sector are now entering a period of significant change and transition. As the governing body in this House we must fulfil our commitment to ensuring sensitivity, compassion and caring during this passage.

We have asked so much of our people and they will rise to the challenge. However, we must empower decision makers at the local level so they can do their jobs right to ensure that those affected by this change are treated fairly and with dignity and that the best possible course of action is determined one by one, according to the needs of each individual.

Those at the local level are the ones best able to determine how the changes we have asked for can be brought into effect. We must all do our part. I know this government will honour its commitment to ensuring fairness, compassion and flexibility at the local level for the betterment of our people and our nation.

• (1405)

CUBA

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, today we celebrate the 50th anniversary of Canada's unbroken diplomatic relationship with Cuba.

Canada and Cuba maintain a friendly and diverse relationship which includes political diplomacy, trade and commerce, scientific and economic co–operation, and tourism. In the area of fisheries, Cuba has supported our view on the need for measures to end high seas overfishing.

Cuba is a nation that is now in transition to a market economy, a nation with which we have significant trade, an area that we can and should expand upon. To enable Canadian businesses to compete for new economic opportunities in Cuba, I urge the Minister for International Trade to reinstate the $30 million line of credit to Cuba so that Canadian companies can take advantage of it to increase Canada–Cuban trade.

* * *

[*Translation*]

CANADIAN ARMED FORCES

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, three years after the auditor general drew the attention of the government to what it costs taxpayers in Canada and Quebec to train a member of the armed forces reserve—90 per cent of what it costs to train a regular soldier—no steps have been taken to stop this wasteful spending.

In fact, the Canadian Reserve whose training is ineffective and inadequate, is the most expensive in the world after the one in Switzerland, which has no army. It will cost us a billion dollars again this year.

Ironically, the government decided to quietly get rid of the Advisory Council on the Status of Women and save a paltry one million dollars, while the National Defence budget, which totals more than $11 billion, was cut by less than 5 per cent this year.

* * *

[*English*]

JUSTICE

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, the people of Quesnel, British Columbia are outraged by our so–called justice system.

Last Sunday, Quesnel RCMP arrested a 19–year old man who, according to witnesses, dragged an elderly woman into his hotel room, held a knife to her throat and brutally raped her. When the woman's husband entered the scene, the rapist chased him down the hall and threatened him at knifepoint. The community hoped that justice would be served.

The elderly woman who is in what are supposed to be her golden years is in trauma therapy. The loving couple has been scarred forever. Imagine the shock Quesnel residents felt when this rapist was allowed back into the community on a petty $1,000 bond.

Canadians deserve better. While our criminals are given free college tuition or are let go on token bonds to roam the streets, shattered lives are left to heal on their own. Meanwhile, the public continues to ask who the justice system works for, the victim or the criminal?

Will the justice minister please stop wasting time on pet projects and start working to put justice back into the justice system?

* * *

FISHERIES

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, there are 50,000 people out of work in Atlantic Canada because of the collapse of our fishery. These 50,000 people were forced to turn to government assistance to help put food on the table.

During the election campaign, Liberals pledged that our government would support its fishermen, deal with foreign overfishing and help preserve the remaining fish stock. Over the past week, our government has come through on this commitment 100 per cent.

On behalf of my constituents, I commend our minister of fisheries for taking a strong stand against foreign overfishing, ensuring that the turbot does not go the way of the cod. Over the past week I have received faxes, phone calls, petitions and letters of support for the minister of fisheries. That support has been well founded.

Today foreign ships are no longer fishing on the nose and tail of the Grand Banks. We are on the verge of negotiating stricter international rules.

Today I challenge all MPs to stand behind the minister as he continues to fight to protect and preserve the Canadian fishery.

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[*Translation*]

FRANCOPHONES OUTSIDE QUEBEC

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, the Bloc member for Rimouski—Témiscouata and critic for the Department of Canadian Heritage toured the country to tell francophone communities that the Bloc was with them all the way.

But Tuesday, the honeymoon was over when she accused the francophones of this country of being sell–outs.

How embarrassing for the Bloc to have one of its members make such accusations. Talk about double talk. At last the Bloc is showing its true colours to francophone communities.

But when Paul Piché and Laurence Jalbert made it clear they were separatists, after receiving financial assistance from Canadian Heritage for the production of records and videos, did you hear any federalists insulting them?

• (1410)

Not at all, and it goes to show how open-minded federalists are, and we expected Bloc members would show the same respect for the opinions of others.

On behalf of the francophones of this country, I ask that the member of the Bloc withdraw, in this House, the slanderous term she used.

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[*English*]

FORUM FOR YOUNG CANADIANS

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, last evening I had the pleasure of meeting many participants of the Forum for Young Canadians. This yearly forum has once again brought together high school students from all across the country to learn firsthand the workings of our federal Parliament.

This year Etobicoke—Lakeshore is well represented by Melissa Jenkins of Bishop Allen Academy and Raphael Pacquing of Father John Redmond High School. These two students travelled to Ottawa to exchange ideas and explore their interests in the process of government, the media and the role of members of Parliament.

I commend the efforts of all who have contributed to the success of this year's forum. May these youths return to their communities across Canada with the knowledge this government is working hard to ensure a strong and prosperous country for future generations.

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[*Translation*]

QUEBEC SOVEREIGNTY

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, the English speaking Canadian intelligentsia met yesterday in Toronto, at the invitation of the C.D. Howe Institute, and indulged in a fit of Quebec-bashing the likes of which have seldom been seen.

These great democrats, full of *Canadian* patriotism, suggested that Quebecers be made to suffer in order to prevent a vote in favour of sovereignty. This idea was not only sanctioned but added to by political science expert Stéphane Dion, who suggested that "the more it will hurt, the more support for sovereignty will weaken".

Since Stéphane Dion is now a freelancer working as an advisor to the Prime Minister of Canada, Quebecers gather that his statement reflects the position of the federal government.

I trust that Quebecers will, as they have done throughout their history, stand tall and defend their right to exist to the face of the world.

* * *

[*English*]

LIBERAL RED BOOK

Mr. Grant Hill (Macleod, Ref.): Mr. Speaker:

The red book full of promises
That we could count upon
If Liberals were elected
All our problems would be gone.
There'd be a kinder Parliament
With Liberals at the helm
And social programs all survive
We'd have no fears from them.

The budget's now behind us
And plain for all to see
That promises don't mean a lot
Without integrity.
Integrity you cannot buy
There is not much that's dearer
For each and every Liberal
Must look into the mirror.

But one lonely Liberal
Could not have said it better
Liberals have taken the famous red book
And stuffed it in the shredder!

The Speaker: I would appeal to all hon. members not to use props or to rip up props during the statements.

* * *

RETIREMENT ALLOWANCES

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, information acquired through access to information reveals that federal deputy ministers are receiving special retirement allowances of up to $30,000 per year on top of their regular pensions.

The Treasury Board document points out this additional benefit to federal deputy ministers is equal to 2 per cent of the retiree's average salary during their six best years. This bonus is multiplied by the number of years a deputy minister works to a maximum of 10 years. The document states: "There is no minimum vesting period and no contributions are required from the deputy ministers".

The government has just cut 45,000 public servants from the payroll. There are also substantial cuts to agriculture and social programs. In view of these facts, will the finance minister and his Liberal government immediately rescind this abominable perk, this golden parachute enjoyed by richly paid deputy ministers? Or, will the highest paid civil servants continue to be protected and insulated by the Liberals from the harsh realities others in Canada with lesser incomes are now facing?

• (1415)

[*Translation*]

LEADER OF ACTION DÉMOCRATIQUE DU QUÉBEC

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, the leader of the Parti Action Démocratique in Quebec had announced that his party would participate in the regional commissions by saying, and I quote: "We can only rejoice over the fact that our conditions have been agreed to. We are happy to contribute to an improvement of the process. We are taking a constructive approach. We hope that many people will take part in the consultation".

Three months later, he said and I quote: "I think that it is not necessarily clear in the minds of all the citizens who came to participate, because if they had been told at the beginning of the consultation that they were wasting their time and that everything had been decided in advance, there might not have been 55,000 participants". The leader of the Parti Action Démocratique is experiencing a rude political awakening. He has realized, but too late, that he has been manipulated by the Parti Quebecois and the Bloc Quebecois.

* * *

[*English*]

THE CONSERVATIVE PARTY

Mr. Jerry Pickard (Essex—Kent, Lib.): Mr. Speaker, I was amazed to read in the Toronto *Star* that Ontario Tories are turning to the want ads to find candidates to run in this year's provincial election. The add which ran in at least three Ontario newspapers is seeking Conservatives with common sense.

Over the past several months Mike Harris has been touring Ontario, promising to cut personal income tax by 30 per cent, promissing to bring a balanced budget in four years and not to touch policing, education or health care. Everyone knows with any common sense that the numbers do not add up.

Mark Mullins, Harris' chief number cruncher, stated: "I'm not a member of the Conservative Party. The last thing I need is for anyone to say here is the guru behind the package".

Is it possible that Mike Harris' policies are so far out that not even Conservatives with common sense can support them?

ORAL QUESTION PERIOD

[*Translation*]

QUEBEC SOVEREIGNTY

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, yesterday at a forum in Toronto hosted by the C.D. Howe Institute and attended by the chairman of Quebec's No committee, Michel Bélanger, one of the Prime Minister's constitutional advisors, Stéphane Dion, said that the worse the economic situation gets, the more Quebecers will change their minds and reject sovereignty.

My question is for the Prime Minister. How can the Prime Minister let one of his constitutional advisors, namely Stéphane Dion, say that the more it hurts, the less support there will be for sovereignty?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Mr. Dion is not a constitutional advisor. Furthermore, as everyone knows, I do not spend a lot of time discussing the constitution these days. I am trying to address the economic problems in Canada and Quebec.

I got elected by telling people that I did not want to talk about the constitution. I certainly do not have a constitutional advisor; I do not want to talk about it. I read in the newspaper that he wants to give the Privy Council advice on other things. Personally, I hope that the question will be asked clearly and very soon so that we can stop talking about this and deal with the real problems affecting the population.

I read this article that speculates on what I should do if the Yes side wins in Quebec. We do not even know when the referendum will be held or what the question will be. I am confident that they will lose, so I will not waste my time talking about this.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it is surprising, to say the least, that the Prime Minister, who claims not to be interested in constitutional issues, allocated an additional $7 million or so to his own office so it could set up an operational unit to talk about the constitution during the Quebec referendum.

Some hon. members: Oh, oh!

Mr. Gauthier: As a preamble to my second question, I will simply remind him that Stéphane Dion is still under contract to his office until March 31. I hope that he at least knows what is going on in his own office.

How can the Prime Minister reconcile the comments made by his advisor, Stéphane Dion, with his own statement that he would respect Quebecers' democratic decision on their political future?

• (1420)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the people in my office do not talk about the constitution but about how to prevent separation. It is not the same thing. And, in order to prevent separation, all we are asking the Bloc Quebecois and the Parti Quebecois is to finally make a decision and ask the population a clear question: Do you want to separate from Canada? And Quebecers will say No.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, since the Prime Minister refuses to dissociate himself from Mr. Dion's comments, I must conclude that he endorses them.

I ask the following: Since he refuses to publicly dissociate himself from Stéphane Dion's comments, are we to understand that the Prime Minister's referendum strategy has gone from scaring Quebecers into saying No in 1980 to hurting them into saying No in 1995?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, on the contrary, what we are doing is telling Quebecers that, with a very good federal government, they will stay in Canada. That is why we tabled, for example, a budget that was very well received by Quebecers. We hope that the Quebec government will stop talking about separation and committees, deal with Quebecers' real problems such as economic problems and job creation, and bring down a budget which addresses Quebecers' real problems, as a government must do.

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CANADIAN BROADCASTING CORPORATION

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

The official opposition questioned the heritage minister on several occasions to find out how much will actually be cut from the CBC's budget over the next three years. Only two weeks ago, the minister was still denying that any decisions had been made concerning the corporation's financing.

How can the Minister of Canadian Heritage reconcile his statement with what the Vice–President of Radio–Canada television, Michèle Fortin, said yesterday when she announced that 750 positions would have to be slashed in the CBC's French network to accommodate the cuts totalling $350 million over three years, imposed by the heritage minister?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I checked the information the hon. member is referring to. Radio–Canada, my source, confirmed that no cuts were announced. I assume this means no staff cuts or layoffs have been decided. It is only natural for Ms. Fortin to share her concerns with union reps when she meets with them, but no layoffs have been announced by Radio–Canada.

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, as my philosophy professor used to say when he got a flimsy answer like this to a sensible and pertinent question: "Swine have no appreciation for pearls".

My second question—

Some hon. members: Oh, oh!

The Speaker: My hon. colleagues, we have all had good professors in our school days, but I do not think they should be quoted so literally in this place. I would ask the hon. member to please withdraw his last sentence at least.

Mr. Plamondon: Mr. Speaker, I will gladly comply with your request and withdraw my statement.

My second question is for the same minister. How can he explain the scope of the alleged cuts to the CBC's French network, when it is so successful that its viewing shares can be as much as three times larger than those of the English network? Is it the minister's new cultural policy to penalize those who succeed?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I gather that our colleague did not like my answer. I am just stating the facts, as provided and confirmed by Radio–Canada, but he refuses to hear the truth. I too had good masters and good professors. My grandfather, who was born in Sainte–Flore, Quebec, used to say: "When you let the ewe out of the barn, it comes and relieves itself on your doorstep".

Some hon. members: Oh, oh!

• (1425)

The Speaker: Now that we have heard quotes from Shakespeare, a professor and a grandfather, I hope we can hear the hon. members speak for themselves.

* * *

[*English*]

HEALTH CARE

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, last night in Saskatoon the Prime Minister made several inconsistent statements concerning the national health system.

He said the government would maintain current medicare standards and yet federal funding would be tied to economic growth and would drop as a percentage of GDP.

There is no way current standards can be maintained under this plan, especially since the OECD estimates that Canada's health care costs will double over the next 20 years.

How does he explain this inconsistency and how will current standards be maintained given increased demand and reduced federal funding?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, if the hon. member had read the whole speech, I indicated growth in health expenditures has stopped in the last two years and there is already a start in reduction.

The policies we are developing with the provinces at this time are doing exactly what we had hoped, to stop the growth of expenditures. With the growth in the economy of 4.5 per cent last year and about 3 per cent this year, eventually we will reduce it from around 10 per cent to around 9 per cent, where we were before.

That will be very competitive. It is a sign that we can have comprehensive and universal health care, meeting the five conditions of the Canada Health Act in a reasonable fashion. We will achieve our goal. We will keep medicare. We will not scrap medicare like the Reform Party suggests.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, wherever costs are lower it is because the standards are not being met right now. It is a sign of things to come.

Experts tell us health care costs are rising by about 50 per cent and the economy is only growing by 4 per cent. The federal government is planning to reduce funding from 10 per cent of GDP to 8 per cent. That means less federal money for medicare, no matter how you look at it.

I have seen the confusion created at the provincial level in Saskatchewan when governments said one thing and did another.

Is the government planning to offload medicare funding on to the provinces by putting a cap on Canada social transfers?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are planning to make sure that in working with the provinces we will control the cost of medicare so that we can keep universal free medicare for all Canadians.

As indicated, the collaboration between the Government of Canada and the provinces has already seen the result that the public side of health care did not increase last year. It has started to decrease. If we all use the discipline needed we will go back to 9 per cent of GDP and we will still have the best medicare.

We will not be trapped in the private sector nets that exist in the United States, where it spends 15 per cent of its GDP. In Canada it is universal, free, costing around 10 per cent now.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, we should ask a taxpayer whether it is free.

The Prime Minister speaks in glowing terms about preserving our national health care standards. I will tell the Prime Minister what is really happening.

In Manitoba there is a waiting period of 61.7 weeks, way over one year, for hip replacement surgery. The national standard is 11.3 weeks. Where is the performance? How are we meeting our current commitments? What good are national standards if the provinces cannot deliver on them?

Is the government prepared to bring the Canada Health Act in line with the 1990s and give the provinces real control over medicine delivery and health care financing?

• (1430)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, unfortunately there are problems in some provinces. The performance is not the same everywhere. In our system medicare—

Some hon. members: Oh, oh.

Mr. Chrétien (Saint–Maurice): It is administered by the provincial governments. If they had a better government in Manitoba perhaps they could do better on that score.

* * *

[*Translation*]

ADVISORY COUNCIL ON THE STATUS OF WOMEN

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

The federal government decided on the sly to dissolve the Advisory Council on the Status of Women, an organization that has always been recognized for its independence of the government and its strong stands in advancing the cause of women.

How can the Prime Minister justify the government's decision to abolish the Advisory Council on the Status of Women by handing over its responsibilities to women's organizations that are already in difficulty?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, women's councils across the country were telling us that they were in a better position to do political analyses than people appointed by order in council.

We hear the Parti Quebecois and the Bloc Quebecois say that the Advisory Council on the Status of Women, which was appointed by the government, is less objective than organizations such as FRAPPE or other organizations not working directly under an order in council. This is why we changed the system.

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, this is not the opinion of women's groups in Quebec. At least not what I heard yesterday.

My supplementary question is again for the Prime Minister. How can the government claim that the Advisory Council on the Status of Women was meeting needs that no longer exist, when women continue to be the heads of the poorest families in Canada, when they earn less than a man for equal work, when they are the primary victims of violence and when they are always in the most vulnerable jobs?

[*English*]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, what the government decided to do was to abolish the order in council positions that are traditionally characterized as patronage positions.

As the hon. member will know, the Advisory Council on the Status of Women named people by order in council. There was a question put by women's groups across the country to which we responded. That question was: How can a person on the advisory council be at arm's length from the government when they are in fact appointed by the government?

It is for that reason we have taken the research funds and the funds that were previously paid to finance the order in council appointments and have ploughed that money back into research, which will be made available to women's groups across the country so that they can set their priorities instead of having them set by order in council appointees.

* * *

NATIONAL DEFENCE

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, the Jeffries report identified critical leadership shortfalls in the Canadian forces. Nowhere is this more obvious than in the report's lament that soldiers are constantly asked to "do more, with less for less".

General Jeffries has been honest and courageous in saying what the minister seems ready to ignore: that he and his officials demand more but give less.

Will the minister acknowledge that it is the responsibility of good leadership, including himself, to allocate priorities and commitments according to resources, and that this responsibility has been neglected?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, after question period yesterday I received a copy of the memorandum General Jeffries had sent out and I went through it rather meticulously. Most of the contents of that memorandum paralleled the recommendations and the commentary of the special joint committee on defence to which the hon. member was a signatory.

On page 49 of the parliamentary report the committee said that morale was not a problem because of poor leadership. The hon. member now wants us to believe that the opinion he had with all the rest of the members some four months ago has somehow been changed.

The fact of the matter is that the committee of which he was a prominent member made a lot of recommendations. All those recommendations have been accepted and all the questions that General Jeffries raised are being dealt with in a full and consistent manner.

• (1435)

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, I beg to differ with the minister that all the recommendations have been accepted. Quite a number have not been accepted or instituted.

General Jeffries noted:

> The difference between what is necessary and what is affordable is made up by people, people who are required to deploy more frequently, perform more taskings, work longer hours, take more risks.

He concluded that operational capability—

The Speaker: Order. I find today that the questions are really a little long and so are the answers. Would the hon. member please put his question directly.

Mr. Frazer: Mr. Speaker, having received this advice, will the minister ignore it, as he did in the case of the airborne regiment, or take action now to avoid what the report referred to as "a hollow army and burnt out soldiers?"

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I do not want to impinge on the goodwill of the House by reading yet another section from the same memorandum but I feel compelled to do so.

General Jeffries states in the memorandum that despite some of the formidable list of dissatisfiers, morale remains for the most part high. He goes on to embellish that. I think that is good enough.

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[*Translation*]

HUMAN RIGHTS

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, my question is for the Minister of Justice. On January 18, the minister, in reply to a request made by his counterpart in Quebec, refused to explicitly prohibit female circumcision and other genital mutilation, under the pretext that the current provisions of the Criminal Code of Canada sufficed.

Why has the Minister of Justice refused to explicitly add female circumcision and other genital mutilation to the Criminal Code of Canada, as requested by Quebec's justice minister, Quebec's human rights commission and all of the experts in the field?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I would first like to point out that opinions on this controversial issue are divided. In fact, according to an article in today's *Le Devoir*, Quebec's council on the status of women does not necessarily agree with the Canadian Advisory Council on the Status of Women on this issue.

The Quebec council believes that amending the Criminal Code could inadvertently drive the practice even further underground and the federal government agrees. We are more in favour of trying to heighten awareness in communities with a

tradition of performing female circumcisions and genital mutilation.

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, how can the Minister of Justice continue to delude himself that the Criminal Code, as it stands, suffices when a gynecologist, Claude Fortin, states that he had to perform surgery on nine Canadian women to treat genital mutilations and that no lawsuit was ever filed against those who committed these barbarous acts?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, fewer than two weeks ago in Toronto I met with the advisory council created by the Attorney General of Ontario on this subject.

Twenty–five women from the communities most affected by the issue are preparing a report on the question with specific recommendations on the issue of criminalization. Their present view is that an amendment to the Criminal Code is not appropriate because it will drive the practice further underground and make it more difficult for us to punish it when it is found.

I cannot emphasize strongly enough the commitment of the government to prosecute and punish this criminal misconduct when it is uncovered. However, I must say there are people very familiar with the issue who believe very strongly that it is not in the interest of that cause to make amendments to the Criminal Code as suggested.

* * *

LABOUR

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, during the election campaign in Manitoba, the Prime Minister said: "The little guy from Shawinigan will look after the interests of the little guy in Canada".

Some hon. members: Hear, hear.

Mr. Hoeppner: I have a constituent who has a shipment of over $200,000 worth of sunflower seeds in jeopardy due to the Montreal dock workers strike.

• (1440)

Now that he is the big guy in Ottawa, what immediate action will the Prime Minister take to provide transportation for this product to Halifax so that this little processor will not be forced into bankruptcy?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, Parliament acted very rapidly yesterday in the case of the port of Vancouver. The port was completely closed.

The problem in Montreal is of a different nature. It does not call for legislation at this time and the Minister of Labour is looking into the matter.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): That answer will not put food on the little processor's table, Mr. Speaker.

Negotiations in the railways are a disaster in waiting. Once again farmers may be called upon to—

Mr. Speaker: I ask colleagues on a supplementary question for perhaps a sentence and then to put the question.

Mr. Hoeppner: Will the Prime Minister immediately ask for a mandatory mediation–arbitration process with binding final offer arbitration as a last resort?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, yesterday we had the opportunity to explain very clearly the difference between these labour disputes. We also took a first step, with the support of the opposition parties, towards the settlement of the conflict affecting west coast ports.

As for railways, negotiations are taking place today with Canadian Pacific. The situation at the Montreal harbour is completely different and I proposed a mediator to the two sides.

As I said yesterday, each situation must be reviewed on its own merits to ensure that an appropriate solution is found. As a government, our goal is to have the two sides agree to negotiate.

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CANADIAN BROADCASTING CORPORATION

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, the Minister of Canadian Heritage just indicated to the House that no cuts had been announced at Radio–Canada.

Will the minister confirm his earlier answer to the effect that no cuts will be made to Radio–Canada next year?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the hon. member's logic is astounding. To say that I have no confirmation of any cuts is not at all the same as saying that there will be no cuts.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, I have a second very logical question. How does the Minister of Canadian Heritage explain the fact that Radio–Canada announced yesterday that 750 jobs would be eliminated? I suppose that was mere speculation.

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the hon. member may be discreet, but he did not listen to my last answer. I already answered that question a few minutes ago. I explained that discussions had taken place at Radio–Canada, but that there was no—

Should I quote another proverb to keep the hon. members quiet?

Some hon. members: Yes, let us hear about the grandfather.

Mr. Dupuy: My grandfather, who was born in Sainte–Flore—

Some hon. members: Ha! Ha!

* * *

[*English*]

GOVERNMENT OF CANADA

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, my question is for the Minister of Finance.

I see the budget and all the changes that flow from it as a necessary but risky exercise. We inherited a government weakened by debt and we have to further downsize it in order to get rid of that debt.

Could the minister assure us that the downsized government and its programs will contain the seeds, the foundations for strong federal government in the future?

• (1445)

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Absolutely, Mr. Speaker. In fact, I would like to congratulate the member for the way in which he has articulated his question. The budget sought to deal with those weaknesses in what is otherwise a very strong economy.

As a result, we increased substantially the fairness of the tax system. We are restructuring government to make it smaller and smarter. We are putting the deficit on a permanent downward track. We have reaffirmed our inflation targets. We have given the government credibility. For the first time a Canadian government has hit its targets and we have put the debt to GDP ratio on a permanent downward target.

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CANADA POST

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, on Tuesday my question regarding the Pérez affair was brushed off because it was deemed to be a matter of the previous administration.

We must remember that this involves two individuals who are currently members of the other place as well as the president and chairman of Canada Post so the issue is very current.

The government promised openness and honesty. I cannot for the life of me figure out why the Prime Minister would not ask the ethics commissioner to clear the air. Why will he not?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the problem is that it is not within the jurisdiction of the ethics counsellor. We had asked a committee of the House to look into the question of lobbying and so on. It made its report today with amendments. It will be given to another committee of the House to look at the code of conduct for members of Parliament and senators.

This has to be decided by the members themselves, not by the government, because this affects the conduct of the members of the Senate and the members of the House of Commons. It is not for the government to dictate to members of Parliament what to do. Members of Parliament are mature and competent enough to give themselves guidelines. The member will be invited to participate if he has views to share.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, this is now the third time that we have asked for a response or a study or an investigation by the ethics counsellor. The answer we have received each time is: "No, no, no".

If the Prime Minister will only authorize the ethics counsellor to investigate when it is safe, when and who is going to investigate controversial issues like this one for which Canadians demand an answer?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as I said at the beginning, it is in relation to a situation that occurred when we were not in government. I also said that the question of the conduct of members of Parliament is a matter that is vested with the House of Commons. We will be asking a committee of the House to report on that and the hon. member can deal with this problem.

The government of today does not have to respond to what happened in previous administrations.

* * *

[*Translation*]

IRVING WHALE

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, my question is for the Minister of the Environment. The minister told us yesterday, with regard to the hull of the *Irving Whale*, and I quote: "—we did have an electronic inspection done last June". Our information, however, is that the inspection was a sonar side scan. This inspection permitted only a partial check of the hull using an inaccurate procedure. A real electronic inspection would have revealed the solidity of the welding and the state of structural cracks in the barge.

Is the minister going to be satisfied with a partial study, which does not permit any conclusions to be drawn on the real solidity of the hull and is she prepared to assume responsibility for any spill that may occur during refloating?

[*English*]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, with the agreement of the House, I would like to table the *Irving Whale* sidescan sonar survey which was conducted between the June 12 and 15, 1994.

Yesterday the member claimed that no survey had been done. In fact, last night at 5.30 we sent a copy of the survey to her office. I would like to read a portion of the survey to her.

> The sidescan sonar portion of the survey was performed by the Environmental Marine Geology Subdivision of the Atlantic Geoscience Centre, Geological Survey of Canada using a Simrad MS992 dual frequency (120 and 330 kHz) sidescan sonar; and a GeoAcoustics SE880—

● (1450)

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, once again, we already have this study, this report. The system is not accurate.

Will the minister acknowledge, finally, that there is some controversy surrounding her decision, with, contrary to what she claims, a number of people, including four experts in ship salvage and a scientific expert from her own department expressing serious doubts about her decision?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, following the requests by members who have made a number of unfounded accusations up to now, it was I who provided her yesterday with the results of the three–day study.

I am not a scientist, but I have much greater faith in the Geological Survey of Canada than in the politics of the hon. member across the floor, who, to date, has not read any report or accepted any analysis and has even refused to read the documents I provided the House on this matter last year.

* * *

[*English*]

CROW RATE

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, farmers need clarification from the minister of agriculture as to who the Crow phase out payment is intended to benefit. Is it intended to benefit landowners or is it intended to benefit farmers?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, in the absence of the minister of agriculture who is presently out west talking to a wide number of farm organizations, I will take the hon. member's questions as notice.

The package that was announced in the budget to provide assistance to farmers with the phase out of the WGTA is designed to ensure that the investment can continue to be made for developing a new agricultural industry in western Canada. In this way agriculture can diversify and provide more value added products. That is the criteria the minister of agriculture will use. As he always does, he will use good judgment and good common sense.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, on February 27, 1995 a departmental paper said the phase out money would go to landowners to help compensate for the loss of land value.

The next day the agriculture minister was quoted as saying that he was open to the possibility of encouraging provincial governments to pass the payment on to land renters.

The minister seems confused. Is the payment meant to compensate for the loss in land value or to help compensate for the extra freight cost? Farmers need an answer on this.

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it seems to me that the hon. member's question is a little bit confused.

As I just explained, the minister of agriculture indicated that he is going to discuss this with a wide variety of farm organizations, which is what he is doing today, and to provide those kinds of answers. He made his position very clear.

We want to ensure that the compensation package is used in the most effective way possible to enhance the development and the reorganization of western agriculture so it can continue to offer a major base of economic growth in western Canada.

* * *

INTERNET

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, my question is for the Minister of Industry. Ernst Zundel, a convicted Nazi holocaust denier, and other Zundels of the world, intend to use Internet technology to spread direct propaganda.

What action can the minister take, first, to regulate the Internet from being used to spread hate propaganda, and second, will Internet users be made accountable?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, first of all, the propaganda perpetrated by people like Ernst Zundel is as unacceptable on the Internet medium as it is in any other.

We deplore the fact that this kind of material exists in our society. The Information Highway Advisory Council is current-

ly studying whether our existing laws are adequate to deal with problems such as those that arise under the Internet.

● (1455)

We will be consulting officials of the Department of Justice. I expect their recommendations will guide us in making determinations on what additional legislative action, if any, is required.

* * *

[*Translation*]

DEPARTMENT OF THE ENVIRONMENT

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, my question is for the Minister of the Environment.

On December 14, in reply to a question about some land in Vancouver belonging to the Squamish band which the federal government has been leasing, the minister said the following: "I made arrangements to inform the band that future payments after this fiscal year should cease and desist".

Will the minister confirm that the lease payments which already cost Canadian taxpayers $26 million have in fact "ceased and desisted", as she promised us on December 14, since officials from her own department say the opposite is true?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): I can assure the hon. member that, when I answered that question, we had informed the band in question that, after the end of the calendar year, we would not pay them one penny more. And our position on this issue is firm.

* * *

[*English*]

THE BUDGET

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, accountants in Canada are in an uproar. The budget proposes to make all professional income statements due at the end of December rather than throughout the year. Accounting costs will skyrocket because of the need for overtime and extra staff at year end. These extra costs will be passed on to the professionals.

Had the Minister of Finance consulted with accountants and professionals on this matter?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, over the course of the last year we had consulted with many Canadians on all of the issues that were in the budget.

The hon. member undoubtedly knows that provided professionals the opportunity to defer, for one full year, income otherwise taxable. It gave them a substantial advantage over other Canadians.

Given the government's commitment to making sure that the taxation system is fair and that all Canadians pay their fair share, we closed that loophole.

The Speaker: Now to single questions. The hon. member for Sherbrooke.

* * *

[*Translation*]

STAY IN SCHOOL PROGRAM

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, my question is for the Minister of Human Resources Development or for anyone who would be willing to give me an answer. It concerns the Stay in School job program which was introduced five years ago for the benefit of young people still in school. Its goal is to directly discourage young people from dropping out of school. Groups which are interested in this issue and which try to encourage young people heard recently that the program would be discontinued.

I would like to hear from the government itself whether it is true that the program will be dropped.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Human Resources Development has just left the House. He will return in a few minutes, and could perhaps answer the hon. member at three o'clock or the next time he is in the House.

* * *

[*English*]

MEDICARE

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, my question is for the Prime Minister, who yesterday was in Saskatchewan talking about medicare.

At the same time in Saskatchewan, members of the medicare community who had been involved in the fight to implement it over 30 years ago, including former Premier Allan Blakeney, were sounding warning bells for Canadians. Mr. Blakeney in particular said that by eliminating specific funding to the provinces in favour of reduced block transfers with few strings attached will result in a patchwork medical insurance system with different standards in different provinces.

How can the government continue to claim it is defending the principles of medicare when four of the sculptures of medicare are telling us these reforms are going to lead to a patchwork?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, if these four sculptures, as he called them, had waited

until this morning, they would not have had to hold a press conference because I stated very clearly that medicare will remain as it is.

* * *

THE ECONOMY

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, my question is for the Minister of Finance.

In light of recent press reports, both domestically and internationally, reporting favourably on Canada's economy, could the minister tell the House why the economic indicators are looking so good?

● (1500)

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, as the member undoubtedly knows because she follows this very closely, our growth is up. We are leading the G–7. Our productivity record is superb. Our inflation is very low.

Undoubtedly she is referring to more recent indicators. The composite leading indicator in February was up by 0.5 per cent. In January it was up by 0.6 per cent. Undoubtedly she was referring to the fact that our manufacturing shipments in January were up by 28 per cent over last year.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I nearly forgot to ask this important question. I would like the hon. government House leader to tell us about the business planned for the next few days.

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, on Friday, as announced earlier, we will have an opposition day.

On Monday the House will consider Bill C–73 respecting borrowing authority followed by Bill C–68 respecting firearms. Tuesday will be an opposition day again.

On Wednesday the House will consider second reading of Bill C–72 regarding intoxication and when this is completed we will return to the business of Monday at the point it was left off.

Thursday will be another opposition day, the last in the present supply period, which means the House will be asked at the end of the day to vote on final supplementary estimates and interim supply.

On Friday we will begin the second reading stage of the budget implementation bill which we had intended to introduce today but whose introduction has been delayed for technical reasons.

I would like to express thanks to the opposition parties for their co–operation in facilitating discussion and decision last night on the bill to enable work to resume at the port of Vancouver. This attitude on their part is certainly appreciated.

* * *

[*Translation*]

PRIVILEGE

DEPUTY PRIME MINISTER AND MINISTER OF THE ENVIRONMENT—SALVAGING OF THE *IRVING WHALE*—SPEAKER'S RULING

The Speaker: My colleagues, yesterday, March 15, the hon. Leader of the Opposition rose on a question of privilege relating to an exchange that had occurred March 14 during question period between him and the Deputy Prime Minister and Minister of the Environment. Having heard from both parties, the Chair undertook to review the situation and the records of the original exchange and to return to the House. I am now ready to rule on the matter.

[*English*]

I have carefully reviewed the comments from both hon. members. I thank them for their interventions. With regard to the basic differences of opinion that exist between them I must conclude this is a dispute as to facts or interpretation of facts. As such, it is a matter of debate and does not constitute a prima facie case of privilege.

However, on careful review of the records of the original exchange, the Chair has found some troubling anomalies. As I see it, it is these anomalies to which the hon. Leader of the Opposition takes exception and it is here that the Chair must take action to grant him redress.

[*Translation*]

Let me review the sequence of events which leads me to this conclusion. The original exchange on March 14 took place in French. It was taped and transcribed; the transcription was edited; the edited transcript was, as usual, distributed to the intervenors for review. The Office of the Deputy Premier Minister reviewed the transcript as usual and submitted, as is its right, two suggested changes to the blues. However, in the view of the Chair, these suggested changes ought not to have been accepted nor printed as the official record for they constitute a substantive difference to the original spoken words of the hon. member. To further complicate matters, these changes appear in the French *Hansard* but are not reflected in the English version which is, instead, a literal translation of the original spoken word.

• (1505)

Therefore, to correct these anomalies, I have instructed my officials to print a corrigendum in today's *Hansard* so that both the French and the English version of the March 14 exchange will faithfully reflect the original spoken words of the hon. Deputy Prime Minister.

[*English*]

I have asked the Clerk of the House to ensure that the editors of *Hansard* adhere strictly to the long established criteria in determining what changes are accepted when members submit suggestions for changes when they return their blues.

I trust this remedial action will close this matter.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY—ECONOMIC EQUALITY OF WOMEN

The House resumed consideration of the motion.

The Acting Speaker (Mrs. Maheu): Resuming debate. The hon. member for Calgary North.

I would ask the hon. member for Roberval to withdraw what he said.

Mr. Michel Gauthier (Roberval, BQ): Madam Speaker, I wish you would tell me what you want me to withdraw. I did not have the impression I made an intervention.

The Acting Speaker (Mrs. Maheu): I can check the blues, but I also heard you here, when you used a word we are not in the habit of using in this House.

Mr. Gauthier: Madam Speaker, I was simply making a reference, strictly off mike, to the Deputy Prime Minister.

The Acting Speaker (Mrs. Maheu): I can check the blues. If the words do not appear, I will apologize.

Mr. Gauthier: Madam Speaker, I would appreciate it if you would check the blues.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, when you check the blues of the proceedings, perhaps I may suggest two points the Chair may wish to consider. First of all, when a parliamentarian says that another parliamentarian has, and I quote: "the right to lie", this reflects on the parliamentarians who, if this is true, did in fact lie, and of course we do not have the right to accuse a parliamentarian of doing so.

However, this also challenges the decision made earlier by the Chair with respect to a difference of opinion that existed, because saying that another parliamentarian allegedly had the right to lie implies that he or she had been given that right by someone else. In this case, the person who ruled on the matter happens to be the Speaker of this House, so the hon. member opposite has in fact challenged the decision of the Speaker.

The Acting Speaker (Mrs. Maheu): The blues will be checked, and I will get back to you as soon as they are available. The hon. Opposition Whip, on a point of order.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Madam Speaker, since you are going to check the blues, perhaps you could check yesterday's blues as well, since the Deputy Prime Minister stated here in the House that she had not suggested any corrections in *Hansard*, and this did not appear in today's *Hansard*. I assume everyone heard her, since the Minister of Transport even applauded and expressed his support. Some things appear in the blues and some do not. This is appalling. Sometimes it is enough to give you the blues, Madam Speaker.

• (1510)

[*English*]

Mrs. Diane Ablonczy (Calgary North, Ref.): Madam Speaker, this has to be one of the most interrupted speeches that I have ever had the pleasure of giving. This speech actually started over an hour ago and I had about two minutes to begin, so it is kind of hard to get a flow of thought when one is off again, on again. Perhaps I could start from the top and get through it this time without any interruptions.

The lesson of history is one of personal struggle leading to achievement. This has been very true for many of us in the House. I know of a member opposite who came from another country, did not know any English, started out by waiting tables and now is a member of the House. There are many such stories. I shared a bit earlier the kind of struggles I have gone through.

Many of us have become contributing members of society, business and professional people, helping others making a life for ourselves. Many of us have done this before, these kinds of affirmative action programs, these kinds of let us give people equality movements even started.

Canadians are able and willing to make it on their own merits. We have a very high level of merit. There are many unsung heroes. We will not see them on public platforms. They will not be getting any awards but they have been decent, honest, hard working citizens caring for each other, above and beyond the call of duty to hold out a hand of help and encouragement to others. We need to start judging success on the standards by which many Canadians judge themselves. Many Canadians judge success on what they have been able to give as individuals, not what they have been able to get.

Canadians have figured out what most of us figured out a long time ago, that life is not fair. There is a saying that if you would

only accept the fact that life is hard it would be so much easier for you. We continually have people who should know better standing up in the House and saying we have to make things easier for people. We have to make things fairer. Canadians know life is what we make it.

We are talking today about the notion of equality. Equality is essentially fairness and impartiality. That is what the dictionary says. Government cannot make life fair. Parliament cannot create fairness any more than it can legislate goodness or compassion.

Calvin Coolidge, a former president of the United States, said: "The people cannot look to legislation generally for success. Industry, thrift and character are not conferred by act or resolve. Government cannot relieve from toil. It can provide no substitute for the rewards of service. It can of course care for the defective and recognize distinguished merit. The normal must care for themselves. Self–government means self–support".

Does this mean we should find unfairness and discrimination acceptable? Of course not, and we do not. It is not government that helps us to act fairly and impartially. This must come from an act of decision by ourselves as individuals.

Government is really just us. Government is part of us. It is something we create as a society. It is a reflection especially in a democracy of what we want for ourselves. That is why we choose representatives from us to carry out our wishes. Somehow there is a feeling that government should create the kind of ethic that is not otherwise present.

• (1515)

There are things we can and should do as individuals to act more fairly and more impartially. We should do those but it is not something that can be legislated.

Canadians want to see people treated as individuals. We are significant in and of ourselves because we are us, so to speak. We do not have to gain significance because of how we relate in a group. We are significant as ourselves, not as something that is labelled, not because we are women or because we are vertically challenged or because we have more pigment in our skins than some other people. Those things are not relevant.

What is relevant is what is in our hearts, what we are capable of, how we strive to achieve the things that are important to us. That is what is significant. We need to realize that is the sort of self–reliance and desire for excellence that should be promoted.

There seems to be a feeling in this country that somehow somebody owes us something, that we are entitled to the things that for centuries we have struggled to achieve. Now they are owed to us and must be delivered to us. This is not practical. It is not common sense. It flies in the face of every experience in human history.

Some of these notions have been tried in other countries. In the United States, this sort of movement to deliver so–called equality to different groups has not succeeded. The disadvantages have outweighed the very real good that was thought to be promoted by these kinds of programs. It is not that the intention behind these programs was not good; it was very good. We all want fairness. We all want people to achieve their full potential.

I would submit this is not something that can be delivered to people. It is only something we can work for and earn. We can ensure that people have the best opportunities to succeed in those goals by treating them as individuals, by allowing them to have equality of opportunity but letting the result of that opportunity rest with the individual.

Abraham Lincoln said that if you have what it takes, the world will take what you have. I believe that is true. We do not and should not be splitting the world into groups. We should be working together as valuable members of society, as individuals with full potential.

It is important that each one of us make a commitment in our dealings with each other to be fair and impartial, both publicly and privately. It is something we need, but not as something legislated, not as something that is owed to us. It should be something we work and strive together to achieve. It cannot be legislated. It would destroy what we want to have in the spirit of individuals to act otherwise.

I think we each applaud the notion of the hon. member's motion. We want to have equality of opportunity. Our charter of rights says we are equal before and under the laws of this country and that must be maintained. However, to give special preference and special assistance to people is to deny them the right to meet their goals on their own merit with their own achievements. We should not be moving in the direction of this motion.

• (1520)

Ms. Maria Minna (Beaches—Woodbine, Lib.): Madam Speaker, I found the member's speech interesting. She was talking about individualism as if we stand alone and do not need anything else around us.

What I hear her saying is that this country has never had and does not have today any sexism or racism that we need to worry about, that there is no stereotyping of the disabled and the physically challenged. She very well knows those very people came before us and told us that of them, something like 2 per cent or less have university educations. Two per cent or less have proper jobs because they do not and cannot access jobs because of stereotyping. This is just the physically challenged. I am not even talking about the racial situation.

The hon. member was talking about individualism and being able to stand alone, being able to make our decisions alone without any laws, rules, collective understandings or agreements of any sort. There was a time when that did exist. At that time there was also child labour and slavery in the world without any of these laws. I do not believe she is suggesting that we go back to those times.

The hon. member is also forgetting that women had to fight. There is the Person's case. Why do we even celebrate Person's day now? Did we forget that we had to fight for the rights to be considered as people and persons? It was not that long ago and a lot of things are still happening.

We saw in the paper just recently where women in business cannot get loans and have to pay higher interest. They stand alone but it does not seem to help. Being individuals does not seem to help.

Yes, we have a charter. Why do we constantly have to go to the Supreme Court with charter challenges in order to get the rights under that charter? They do not automatically happen just because there is a charter. How did we get the rights under that charter? It was by fighting tooth and nail because they were not in the original draft of the charter.

How does the member expect to stand alone, individually isolated and through osmosis each of us will do the right thing only because we want to and because it has never happened before?

Mrs. Ablonczy: Madam Speaker, it is very important to understand that because we are each responsible for our own future and our own achievements does not mean we are in isolation. Nobody with common sense would even suggest that a society which is a corporate word would want to isolate anyone. I do not recall ever using such a word. Yet, this hon. member is so concerned about branding people and putting them into groups that the word isolation stands out in her mind if you even dare to oppose such a concept.

We must help each other. That is the whole point of society. Everybody has read the poem "No Man is an Island". We know that to be true. What is really important to understand is that struggle is part of the human experience.

Yes, the struggles she talked about were important. Those struggles are going on today and will continue, but the important thing is that we become responsible for what we make of ourselves. If we are delivering results to people and delivering the things they need, then where is the achievement and the merit? It is owed to us and it becomes ours by matter of right. We do not have to work for it.

Discrimination cannot be redressed even though discrimination is a terrible thing. If I had been alive at the time when women could not vote, I would have been up there hollering and screaming as loudly, as articulately and as passionately as anyone else. Discrimination cannot be redressed by more discrimination which is exactly what we are going to get if we are not careful.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Madam Speaker, I happen to be one of those people who believes we do not do enough research in Canada and probably throughout the world on people issues, the questions of poverty, racial discrimination, et cetera.

• (1525)

I am particularly concerned with the following. Is it the hon. member's opinion that we undertake enough research on people issues in Canada, obviously including issues that are directly related to women in society in general. I refer specifically to equal pay for work of equal value. Do we undertake enough research on other issues are particularly relevant to women, for example in the field of health? Do we undertake enough research in redressing some of the financial injustices women suffer in society?

Mrs. Ablonczy: Madam Speaker, the point I am trying to make is that all members of society are equally important. Why are we singling out a particular group as needing special help? All of us need to be treated fairly and impartially in this society, not just some of us. There is no reason to suggest that some of us are more entitled to fairness and impartiality than others. That is just not sensible.

We need to be concerned about each other. We need to help each other. Throughout the centuries the people of good ethics, solid citizens, the people who were respected were those who cared for the disadvantaged, the poor, the needy, those without a voice, those who were without anyone to fight for them. We must continue to do that.

The only point I am making is that kind of caring cannot be legislated. It must be done on an individual basis. It must be done by working with people. It is not done by creating some scheme where results are guaranteed, but where opportunities are fought for, where people are valued and where their achievements and aspirations can be freely met. It is a far different thing from meeting those aspirations for them. It gives them the opportunity to meet them.

We need to discuss the distinctions in this important area because it is a critical area. We have to care about each other and we do. What is the most caring thing, to give people gifts or to allow them the opportunity to get what they want in life through their own merits, their own struggles and their own efforts?

An illustration is often given of a butterfly that struggles and struggles out of the chrysalis. A chick tries to struggle out of an egg. Both are long and exhausting processes. However if you

tear open that chrysalis or that egg, the new creation that comes out of it is weak because it has not had to struggle.

We need to be there for each other. We need to care about each other's struggles. We need to make sure there is fairness and impartiality. We cannot deliver things to people that they can best benefit from by achieving them themselves. That is a very important point in this debate. I hope that satisfies my hon. friend about what I mean in that regard.

Ms. Judy Bethel (Edmonton East, Lib.): Madam Speaker, yesterday the Canadian Federation of Independent Business had a press release. It said that women in new businesses are refused small business loans 20 per cent more often than men in new businesses. It also said that women in business pay 1 per cent more above prime than men in business do. I would like the member to respond to how we as a society should deal with these kinds of inequities.

Mrs. Ablonczy: Madam Speaker, this is an important point. On the face of it, these kinds of statistics look like nothing more than discrimination.

The question must be asked: Are the banks which are clearly in the business of making money simply refusing women loans because they do not like women? If that is the reason, then they should be hammered over the head. It is stupid.

What difference does it make if you are a man or a woman in business? The point is, is there a good business reason as to why this decision is being made? If there is a good business reason, then as a business woman I am going to make sure that I meet the concerns of the bank and qualify for the loan I need. I am going to satisfy the bank that it would be very well advised to give me the needed money because I am a good risk. That is the kind of initiative we need.

● (1530)

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Madam Speaker, I am pleased to participate in the discussion today. I am delighted that the concerns pertaining to 52 per cent of society are being addressed in a thoughtful manner based on the political observations of people.

Politics makes strange bed fellows, if I could put it that way. Each of us chooses the political party that best suits our interests and concerns. Perhaps the way we view society is reflected by the choice of where we sit in the House. We have been listening to a very interesting approach. Much of it reflects the values I consider important. Some of it is totally outrageous and some of it is strictly political partisanship of the weakest form of politics I could possibly think of.

Notwithstanding, it is vital that we enter into this kind of discussion. I am very pleased to respond to the motion of the opposition member regarding federal action to achieve women's economic equality.

[*Translation*]

Madam Speaker, I would like to thank my colleague for her motion. She is asking this House to affirm a principle that is also dear to my heart, the economic equality between men and women. It is not easy to achieve, but it merits discussion, particularly after the speech by the hon. member for the Reform Party.

Our government is firmly committed to helping women attain equality. There is no doubt that the equality of women, fairness and justice for all hinge on economic independence.

We also know that economic equality is fundamental to the well–being of women and indicative of the status of women in our society. Being affluent and having a good job make it easier to stand up for your interests. If you are at the bottom of the scale, if you are a divorced women, if your parents have lived a life of confrontation accompanied by physical abuse, your life will not be quite the same. Equality will be lacking. I believe it is up to society, men and women together, to take an interest in these vital issues.

In my view, women must be able to take part in the workplace, to receive equal pay for work of equal value, and to contribute equitably to our collective wealth. I must tell you that, as a mother who had sons, would I not have wanted the same treatment, the same equality of opportunity for my daughters—had I been blessed with some—as for my sons, and as for my daughters–in–law today? If they have the same education, the same ability and the same experience, why do they not deserve the same treatment? I have never understood why we cannot ensure that our sons and our daughters live their lives on an equal footing. This situation can change if women decide to have children, and this must be taken into consideration as well.

I feel that it is very important to find a way of ensuring that the equitable contribution to our collective wealth benefits everyone, all members of our society, women as well as men.

● (1535)

[*English*]

I am pleased to be part of a government that is determined to accelerate the advancement of economic opportunity for women not only in the marketplace but also in their daily lives if they choose to work in their homes. I am honoured to serve under a Prime Minister who is committed to exactly the same goal.

The goal of the Liberal Party has not changed. Times have changed. What we saw as necessary many years ago has changed in the new reality of today's world, whether it is the technology

that has changed, the organization of society that has changed or the role and place of women in society that has changed.

We can look at the House and at the number of women who have been able to win "gagner leurs épaulettes au niveau politique, elles siègent ici".

An hon. member: On their own initiative.

Mrs. Finestone: Not on their own initiative, I say to my colleague across the floor. From a lot of work by women like me and plenty of others.

The Liberal Party has brought into force a Human Rights Act, a Canadian Charter of Rights and Freedoms and a royal commission on economic equality, all structures of society that express our will to ensure equality for women and that give us the legislative mandate and the tools we need that were not in place when the Royal Commission on the Status of Women first held its hearings.

I appeared before the Royal Commission on the Status Women. I appeared about child care. I appeared about latchkey children. I appeared on the role of the volunteer in society, the needs of the volunteer and the need for recognition for unpaid work. The women here today gained many opportunities right back to the Lavalee case and right through the history of the development of equality and opportunity for women.

The women who think today that there is nothing we need to be concerned about, that violence against women is not a reality, that it is not something society should deal with, and that the Minister of Justice who has been doing a fine job addressing many of the issues should not be doing it, have missed the point that 52 per cent of the population require attention. All those issues in society need to be addressed.

I thought it would be worthwhile to address some of the points raised in my absence this morning. I was attending other duties and could not get back to the House on time. I gathered from what colleagues in the Reform Party said concerning women's equality and the consolidation of the federal government's organizations for women that they accused the government of not taking enough action on equality. They referred to us as a special interest group. They talked about us as a particular bunch in society.

Quite frankly this bunch in society, this gender called women, females, wives, mothers and grandmothers, happen to make up 52 per cent of the population. They are not a special interest group. The gun lobby is a special interest group. The banking institutions are a special interest group. Certainly women are not a special interest group. They are an integral part of society. Their concerns need to be addressed through research, through public meetings, and through advancing their concerns on the floor of the House.

Members of the House should make sure they consult their ridings to find out the concerns of women, their husbands and children. They might be more reflective of real society and stop worrying about the peculiarities of a just society from their perspective which seems to want to throw everybody in jail and throw away the key.

They have called for the government to get out of child care, that women should stay at home and look after children. If all women in the workforce stayed at home over 20 per cent more of the population would be living under the poverty line.

They do not recognize that women go to work not only because they like to and not only because they have confidence and want to but because they need to in order to keep their families above the poverty line. I do not expect the Reform Party to understand that.

• (1540)

They also talked about the question of the lack of need for any special action. There is plenty of need for special action so that the women of the country will be ensured of special action.

[*Translation*]

I would now like to talk about the project to merge these institutions, a project I have just tabled, and the action the government has undertaken with respect to the three groups serving the interests of women, because I think it a bit unfortunate that this was not well understood. Perhaps the opposition party, the Bloc, did not have an opportunity to carefully read the document I tabled and the time perhaps to read what I said in the House. In this regard, I would like to draw their attention to certain facts.

Through in-depth research undertaken by this government to ensure that it gives careful attention to fiscal matters—and, with all sorts of new things in our society, and with the need to be careful with the deficit as well, we must manage our society very carefully—as part of my mandate with respect to the status of women, I looked at the three major institutions, government institutions. This has nothing to do with the private sector and the organizations in the private sector, which have their own sets of problems. That is another issue. It was not the issue I dealt with; I tried to ensure that they operated better and in a way that would see to their interests from the grass roots right up to Cabinet and from Cabinet back down with the information required.

It was discovered that everything was in triplicate. We had three separate administrations and three levels of duplication, and I took those steps to streamline all these resources, to concentrate our efforts and to reinforce our capacity to achieve equality.

By merging the three groups, we will eliminate confusion and facilitate access to government. This initiative will also provide a more direct link with women organizations at the local, regional and national levels as well as with non-governmental organizations and universities. What is more important is that I get to keep the $700,000 so that—yes, the Bloc member is

surprised, but I want him to have peace of mind, I do not want him to worry—the money previously earmarked for the Advisory Council on the Status of Women will be reallocated to research conducted by Status of Women Canada and by women's groups, universities and other organizations.

We are going to see what happens, and we are going to consult on the reallocation, but the money for independent research will be—and this is a commitment I made yesterday—given to arm's length institutions and the results will be published in the interest of women, for women, and will not be touched by the government.

I needed that. Did you think I was going to take this money away from women's organizations? No, you started this for petty political purposes. I must say that this kind of system will be much more efficient. I also find strange that my opposition colleague would criticize the action of the federal government when the Province of Quebec recently restructured its own department on women's equality and she did not say a word. This demonstrates, on her part, a great interest in the status of women in Canada and I commend her for that.

I should make it clear that by consolidating all women's programs into Status of Women Canada we are working in the best interests of all women.

• (1545)

I know that some women are concerned that merging the advisory council with my department would essentially mean that the government could help itself to its funding. Far from it. I will not be a minister all my life. I have worked long enough not to want to pull the rug out from under women's feet, regardless of the government. I worked for ten years on the other side of this House and know how women can be misled and their interests forgotten. Such policies, they are smoke and mirrors; and they did not serve us well. This is not the type of policies this government wants to implement.

This government relies on the public, on women's organizations, to monitor our work and to tell us what they think of our performance. I must say that since my appointment, I have travelled a lot, I have met lots of women all over Canada, more than a hundred or so organizations. I chaired the working group on child care. I listened. This government listens. In Cabinet, we talk about women's interests and we will continue to do so.

We now have a very diversified, very competent network of people who are able to appear before us, whether it be on issues of violence or others. The Minister of Justice and I organized a round table on that subject. Forty groups participated. Some 70 persons came. The government, not the advisory council, paid for these consultations.

When the Minister of Human Resources Development held his consultations, a task force was set up. This cost money, but I insisted on it. No later that three hours after the presentation of the budget, I received a phone call requesting permission to hold consultations across Canada.

As a result of this change, we will no longer have a large office in Ottawa, Montreal and Vancouver. The appointment of women by order in council has become a thing of the past. These offices will be closed, but in each region of Canada, in each city, there are women working closely with the people, who know who should get funded and who should not. They are able to organize gatherings, as they have been doing for me up to now, allowing me to meet people.

I just met with the Quebec women's federation, RESO, Charlotte Thibeault's coalition. These women mentioned that they research the issues they bring forward, but that otherwise they are not involved in research; they complained a lot about the way research is being carried out. I said that, from now on, research will be done according to the needs identified by women's groups and academics, that the choice of who will do it will be theirs, and that results will be published.

You do not like it? Too bad. I believe it is the way it should be done. We will consult women's groups as to the process. It may not be what you want, but I believe that it is the best way for women. Judging by the work women did in preparation for the Beijing meeting, I know that we are making progress. There are still a lot of problems, but we are making progress. Women on this committee held consultations with 2,500 women across Canada. They drafted answers and helped Status of Women to make improvements to the draft working paper.

I believe that the links, the co–operation and the mutual respect we established in many ways are in the interest of everyone.

• (1550)

In this way we are going to improve research and get more out of our consultations. We will be much more direct. We will use a "one–stop shopping" concept, research will be conducted by outside sources, independently, and all aspects of the library, etc, will also be reviewed, as well as distribution, because we will begin using all kinds of new technology. Women are quite advanced in this area.

I know that some people believe that we have stifled the voice of an important women's association and even silenced it. This is not true. This statement only confuses matters. The organization which was closed down was financed 100 per cent by the federal government.

The federal government will transfer close to $2 million for the status of women. I think this is a very good approach and I am very proud of what we just did because there comes a time when we have to turn over a new leaf. The 1970s were different from 1995. We had to closely examine what we were doing, and in doing so, we found a better way to handle women's issues.

Madam Speaker, thank you and I still acknowledge the importance of the role of women. Our political party will persevere, in our interests and in the interests of women—

The Acting Speaker (Mrs. Maheu): I regret that I must interrupt the hon. minister, but her time is up. We will now proceed to the question and comments period.

The hon. member for St. Boniface has the floor.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Madam Speaker, I have listened with interest to the minister's speech and I would like to ask her a question.

Like her, I realize that the government is doing a number of things for the women of Canada.

[*English*]

For example, we have come forward with an agreement for equal pay for work of equal value. We have the gun control legislation that is being supported by women. We have the prenatal nutrition program. We have the court challenges program that has been reinstituted, centres of excellence on women's health and a number of others.

There is simply a larger proportion of women who are poor, a larger proportion of women in society who are victims of violence and abuse, and a larger proportion of women who are single parents. Women still earn less than men.

Despite various initiatives that have been undertaken by government and because of certain decisions that have been taken—my colleague has addressed one of them—are we assured that we will continue to make progress on these fronts?

I tried to raise a question previously with respect to the importance of research on those fronts. I have a bias, I must admit. I think research on those issues is of critical importance to ensure that we continue to move forward because there are serious problems in society that affect women disproportionately.

Mrs. Finestone: Madam Speaker, I thank my hon. colleague for his question. I have visited Winnipeg and I have met with both English and French women's groups in the area as well as with multicultural groups. I can assure him I am more than ever convinced the research that needs to be done is proactive research as well as reactive research.

In the proactive field of research today, which we did not have in 1972 with the advisory council's arrival on the scene, there are women chairs of study across the land. Within the universities there is capacity to look at many of the problems such as the problems of poverty, the problems of inequality in terms of education and training, the whole area of change in the percentages of men and women in various institutions, and the need for the diversity of Canadians to be better reflected in the House.

A university study was done on the integration of women and visible minorities into the marketplace. When we see the disparity at least once it is put into concrete terms through research at the university level, or at SHRC for that matter, and we are in a position to be able to speak out and effect change on government policy.

I listened to some of the remarks of members of the Reform Party which I do not share. They say that government cannot make life fairer.

• (1555)

If we did not do research through the Canadian Federation for Independent Business, would we know that women who have an excellent record with respect to the creation of jobs in small and medium size businesses are far more effective and far more efficient or that over 40 per cent of the jobs are created by the small businesses in which women are the most successful after five years?

That research was done by the private sector, the CFIB in this instance, not by a university. It indicated that despite their success 20 per cent more women were refused loans at our banks and institutions than men and that when women obtained loans, 95 per cent of them had to pay higher rates with more difficult terms.

That research was extremely pertinent. I am very glad the member asked the question. It is a solid answer to the Reform member on whether or not we need to be doing work on equality for women in the fields of employment and earnings. Yes, we need to reach economic equality. The question was very pertinent. It allows me to thank the member very much.

There is room for research at all levels: through the private sector, through the public sector and through the universities with their great expertise.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Madam Speaker, I would like to put a question to the Secretary of State for the Status of Women. I understand the government's new policy, which led to yesterday afternoon's decision that that would be the best way to operate.

I do not think that there is unanimity among women's groups or that it is as obvious as the minister would have us think. There is concern about the probable lack of transparency there would be in the department when public servants in this department are

called upon to promote the department's policies. The role of the advisory council was precisely to criticize government inertia and to suggest possible solutions regarding the various policies of the government concerning the status of women.

Take day care facilities, for example. We know that the 3 per cent of GDP has been reached and that 50,000 day care spaces have been promised. This does not come from the government. We hear about pay equity, while women are still earning 72 per cent of what men earn, and there are other decisions that the government is dragging its feet on. I think that enough has been said today about the various possible solutions that the government could adopt to bring about a considerable improvement in the economic situation of women.

What concerns me is the lack of transparency that might result from this new direction. I am also concerned about the choice we would have to make.

The minister said yesterday in her speech on the budget in the House that the various women's groups were very strong, very effective. I think that some of them are but that others are not so strong and do not have the Canadian Advisory Council's analysis capacity. Without this analysis capacity, how will they manage?

Women living in the outlying regions will have to negotiate with the federal government, to travel, to defend their priorities. The minister may be very positive, but I do not know what the outcome will be in the long term. I do not think, however, that this way of looking at things will be an end in itself.

She seemed to be saying that the women's movement was born of various concerns and that it was in its infancy when the council was created. I would say that, on the contrary, we have not yet reached maturity.

In 1920, women were earning 50 per cent less than men; in 1995, women are making only 72 per cent of what men make. We have clearly lost ground.

• (1600)

Given the economic situation, we know full well that women will be the hardest hit. This afternoon in the House, the Deputy Prime Minister replied to a question I asked on the dismantling of the advisory council—

The Acting Speaker (Mrs. Maheu): I am sorry to interrupt the hon. member, but her time is up. The secretary of state, for a brief reply.

Mrs. Finestone: Madam Speaker, I thank my hon. colleague. I am aware of her keen interest for women's issues. I know she speaks from the heart and I respect her for that. While I understand her interest for women's issues, I wish she would reply when Reform members make statements in this House, because it is quite frustrating to hear them sometimes.

I must say that, indeed, the advisory council had a role to play, and it played it well. Perhaps it even took a mother–hen approach at times. As I see it, the council was the driving force behind many activities and initiatives. You cannot say that, over the years, the Fédération des femmes du Québec, the National Action Committee on the Status of Women—the similarity of certain names causes some confusion, I know— the National Council of Women and others—there are a dozen organizations out there that I could name, have not been able to make representations and have not done so. And, through independent research, we will make sure that they can decide for themselves what their priorities will be regarding all the women's groups; I will not interfere. I think it will be in their best interest.

Mrs. Pauline Picard (Drummond, BQ): Madam Speaker, I am pleased to participate in the debate on the motion tabled by the hon. member for Québec, which deals with the economic equality of women. In spite of all the attention generated by the status of women in Canada, and by a number of legislative measures and policies designed to correct the inequalities of which they are victims, the situation of women remains very different from that of men, and there is still a lot to be done before they can enjoy the same benefits as their male counterparts.

As the member for Drummond, I first want to express my friendship and my support to women in my riding, particularly those who work in organizations dedicated to improving the situation of women in our riding. As the opposition critic on health issues, this is also an opportunity to stress the urgency of establishing a health care system for women.

The moneys allocated to research on women's health issues remain largely inadequate. There are insufficiencies in various sectors such as breast cancer research, gynaecology and obstetrics, chronic and degenerative diseases, mental health, violence, occupational diseases, specific needs of immigrant women of ethnic origin and native women, teenagers, elderly women, and so on.

At the beginning of her mandate, 15 months ago, the Minister of Health told us how she was going to promote women's health. She explained the programs that her government was going to implement, so as to correct the inequalities which affect women in the health care system. The reality, however, is completely different.

Since the Liberals took office, the funds allocated to health care keep diminishing. This government maintained the freeze on transfer payments to the provinces, thus creating a shortfall for provincial health care systems, including Quebec's. The government goes even farther in its last budget by cutting $70 million in the health department's budget, which is a 3.8 per cent reduction. But nothing is done to correct the imbalance between men and women.

Let me tell you about breast cancer. Canada has the world's highest rate of breast cancer.

• (1605)

Finally, the incidence of this terrible disease has constantly increased since the 1960s. Each year, 15,000 new cases of breast cancer are diagnosed, and 5,000 women will die of it this year, that is, one every two hours.

In Quebec alone, 1,500 women will die of this terrible disease. In Canada and in Quebec, a woman has one chance out of ten to develop breast cancer.

A national study, which was published last Thursday, shows that 41 per cent of women in Canada and in Quebec consider breast cancer to be the main threat to their lives.

I think it is about time that we decide to overcome this disease. To do this, we must have a breast screening strategy taking into account both genetics and environmental factors.

This is exactly what emerged from the final report tabled last fall by the national forum on breast cancer in which the health minister took part. This report recommended that national practice directives be adopted immediately to enlighten doctors and promote research and job training. So far, nothing has been undertaken by the government in office.

There is also cardiovascular diseases, which are the main cause of death among women. Indeed, 40 per cent of women will die of cardiac arrest or of cardiovascular complications. Despite these alarming figures, the last budget resulted in cuts to the Tobacco Demand Reduction Strategy.

Resources allotted to this program will decrease from $185 million to $81 million. At the very least, this represents a $104 million reduction, even though the number of smokers continues to rise, especially among women. We know that smoking increases the risks of cardiovascular complications. However, members will remember that tobacco control once was the health minister's favourite theme.

There were reports recently, and again today, in the media about the terrible problem relating to genital mutilation which is wreaking havoc in several countries around the world and is even practised here, in our society. The government is not addressing this crucial issue and we are wondering what it is waiting for.

Quebec has already showed leadership by announcing that it will criminalize this action and sue everyone guilty of genital mutilation. The federal government refuses to clearly add genital mutilation in the Criminal Code, despite the repeated requests made by the official opposition and the government of Quebec and the fact that several European countries and states in the U.S. have already taken such measures.

When can we expect a truly good health system for women? I still remember when birth control was not well known and was hard to get. I remember when women's diseases were considered a normal part of women's lives and their imaginary disorders. I remember when knives were used way too often. We only have to think about all the unnecessary hysterectomies that were performed.

Of course you will tell me that times have changed, that today's policies stress the importance of addressing social and economic problems recognized as being directly related to health. But how are words translated into action? Far from improving, the status of women is even deteriorating.

For years, women's health centres in Quebec have been repeating that the social and economic conditions of women, poverty, the double workload, violence and discrimination are all problems that a pill will not solve.

The solution for women is to eliminate poverty because there is a direct link between poverty and health. Statistics have clearly shown that low income people are sick more often than others.

• (1610)

In this year of tolerance, the International Women's Day that we celebrated last week compels us to have greater respect for ourselves and for others. Women have demonstrated throughout history that they have this extraordinary capacity to obtain a consensus. Our modern societies, whose only values now seem to be those generated by the globalization of economic and cultural markets, need more than ever the involvement of women as mediators.

In the name of profitability, our societies exclude more and more people and fuel the rise of several forms of fundamentalism. Because they are the very ones with the sensitivity and the ability to do it, women will have to assert themselves to lead a successful battle against poverty and radicalization.

I will close my remarks by addressing the women of Quebec, to whom I want to deliver this message. In a few months, we will have a crucial decision to make, a decision that will have a lasting impact on our future. My wish would be to see the women of Quebec taking part actively in this historic moment because no country can be built without the voice, the will and the consent of women. And the new society that we see rising on the horizon must include the women of Quebec.

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Madam Speaker, first of all, I would like to thank the hon. member for being very realistic about the role of women in the political life of a society. They say that when men go into education it is for themselves, whereas women do it for their family, in other words, society.

I am convinced that women, when they see what is happening in Quebec, will certainly get involved in order to maintain their quality of life at an appropriate level and ensure better opportunities for the future in case Quebec separates and becomes independent.

We have travelled the same path. Women respect each other. Redefining borders will not help in any way. It will create a situation where poverty will be worse for women and their families.

I would like to ask a question of my colleague. When she says that we must follow up on what is happening in Quebec because it just ruled that the mutilation of female genital organs is a crime, I wonder if she was absent from the House when the Minister of Justice and myself ruled that our federal legislation would also consider such mutilation to be a criminal act? If we are presented with a case involving such an act, it will be tried and judged according to Canadian laws since it is a criminal act.

I am very happy to see that the Court of Quebec, or rather the Human Rights Commission, has ruled on that issue. I am also happy to see they agree with us on a point that has already been ruled on in the Canadian laws.

There is no need for lengthy analysis to find out that such a practice goes against Canadian values, that it is unacceptable to mutilate female genital organs and that people have to abide by our rules and standards, period. Certainly, for all women, whether they live in Quebec or in Ontario, whether they are from Nova Scotia or Newfoundland or Vancouver, British Columbia, this act of mutilation is unacceptable.

I am asking the hon. member a second question concerning the health issue. In order to eliminate poverty, we took some measures in favour of pregnant women. We also undertook some research on breast cancer, on heart diseases in women and on their prevention. Considering her great interest in that matter, I am convinced that, given her great interest for these matters, if she has other ideas to bring out at one time or another, she will assist the health committee of the House of Commons by making her comments, which will be greatly appreciated.

Is she ready to bring us other suggestions on this?

• (1615)

Mrs. Picard: Madam Speaker, regarding sexual organ mutilation, we note that it is not mentioned that this practice is criminal. Why does this practice still exist? As was noted earlier today, a physician had to perform surgery on young women. How is this still possible? He had to do nine operations. What can we do to stop that? The individuals who performed these barbarous acts on those young women are still running free. This practice is being performed in many places.

When people arrive in Canada, they do not know it is illegal in our country. They should be told, and the fact should be public knowledge. Steps must be taken to prevent that practice. This is happening here in Canada. In 1995, it is unbelievable that we still hear about those practices. In Toronto, a physician told me that he gets calls regularly from women who ask him to perform these operations on the sexual organs of their children. The Criminal Code must either be strengthened or other measures must be enacted because this situation is really alarming.

As far as—

The Acting Speaker (Mrs. Maheu): I am sorry to interrupt the hon. member, but her time is up. The hon. member for Laval Centre has the floor.

Mrs. Madeleine Dalphond–Guiral (Laval Centre, BQ): Madam Speaker, allotted days on a motion of the official opposition provide special moments in this House, because, by making it possible to ask government about the real issues, they force parliamentarians to consider certain unavoidable realities.

The reality we are currently considering concerns more than half the population, since, today, we are assessing the government's action, or, rather, its inaction with respect to women.

On March 8, 1994, International Women's Day, the Bloc Quebecois tabled the following motion in the House on an opposition day:

> That this House urge the government to recognize the principle of economic equality between women and men and to implement measures, in areas of federal jurisdiction, to guarantee women equity in employment, wages and living conditions.

What has become of this a year later? Women in Canada and Quebec agree: for this government, it is a long way from the cup to the lips. There was not a hint of the grand principle of equity in the budget tabled by the Minister of Finance. And yet women here need real action.

It therefore makes sense for the opposition critic on the status of women to table a motion denouncing the federal government for its inaction in its areas of jurisdiction through its failure to adopt concrete measures to promote the equality of women.

The Bloc Quebecois notes that the Liberal government has failed to keep the commitments it made with regard to promoting equality for women. One has only to look at the situation in various areas of social concern, including child care services, public housing and the struggle to prevent violence against women.

The Liberal government's latest decision to abolish the Advisory Council on the Status of Women is a clear indication of the cabinet's concern about women.

It appears that the government is no longer interested in hearing a voice independent of political power express the rightful claims of women. The council's credibility with various

women's organizations was commonly recognized. It is not easy to answer to one's conscience when the will to act is lacking.

It would seem that the activities of this organization will be transferred to Status of Women Canada. What activities are we talking about, however, since $1 million in funding will be cut?

• (1620)

The equal opportunities for women program will also be transferred to Status of Women Canada, but with a budget reduced by five per cent. They say that, for the moment, this cut will not affect grants to volunteer organizations working on the status of women issue. What we really want to know is how long will this moment last.

Of all of the issues regarding the status of women, violence against women is probably the most devastating, as much physically as it is psychologically and it also saps morale. Despite the efforts of groups working to stop violence against women, the incidence of violence has increased at an alarming rate. Can we fight so rampant a social ill with only sentiment and good intentions as weapons? No, Madam Speaker.

The violence that often stems from economic inequality could be eliminated if the government would only assume a strong leadership role in society, put equality high on the list of priorities and channel the appropriate resources to the cause. Governments do not have the right to expose the pursuit of economic equality for women to the whims of the tax system and budgets. Such behaviour is tantamount to subsidizing economic inequality.

More than ever, fighting violence against women must be a priority. Is it acceptable in 1995 that women and families still have to face violence day after day? In January 1994, Statistics Canada publicized the results of a vast survey in which 12,300 women participated. It brought to bear some disquieting facts.

It revealed that 51 per cent of all women have been victims of at least one act of physical or sexual violence. One in five were hurt and one in four were hurt so badly that they required medical attention. In 25 per cent of all cases, the husband or common–law spouse was the perpetrator. What is even more serious is that children witnessed the violence 4 times out of 10.

These figures jive, by the way, with the statistical data contained in a 1991 report called "The War Against Women". The report found that between 63 and 83 per cent of the victims of physical abuse knew the men who abused them. One woman in ten is assaulted by her spouse and, on the average, victims are abused 30 times before they call the police.

The Canadian Advisory Council on the Status of Women published its own figures, which have quite a story to tell about the treatment women receive. It found that one in four Canadian women were sexually exploited at one point of their lives. In half of the cases, these women were not even 17.

Considering these disturbing facts, how can the government justify its decision to reduce subsidies to organizations against violence towards women when the need is more pressing?

Women will not feel secure before there is true equality between men and women. How much injustice, inequity, inequality, and violence will the women of Canada and Quebec have to endure before the government commits itself to act in a concrete way and proceed with the necessary social and economic changes to achieve equality?

The Liberal government with its current budgetary measures in the area of unemployment insurance, with its determination to cut transfer payments to the provinces in the areas of health, education and social services is working towards a pull–out of the central government in these matters.

The so–called reform of social programs, postponed until 1997, announced a dark future for young people, the unemployed, senior citizens and, of course, women.

• (1625)

Indeed, there is no doubt that women will be the first victims of the changes to eligibility criteria for unemployment insurance, in a large part because it will be based on family income. We can assume that women could be denied access to the plan because of the high salaries of their husbands. What about other payments, in particular old age security?

The same logic seems to apply, since the budget of the Minister of Finance is starting to open a breach into old age security. "If your family income exceeds a certain threshold, Madam, you will no longer get your monthly cheque." For many women, this cheque is tangible proof of a certain financial autonomy, very often the first they ever had. We cannot deny that some aspects of women's reality have been overlooked by decision–makers. But an oversight can be corrected, if only the will to be fair is strong enough for us to admit that we were wrong.

The economic security and equality of women can only be achieved if women are economically independent. In turn, economic independence is tied to the creation of lasting full time and adequately paid jobs. However, in 1993, women accounted for 69 per cent of part time workers in Canada. This ratio is unacceptable. Job insecurity is replacing economic security and equality for women. This is second rate equity.

Instead of jeopardizing the scant efforts made over the past decades to try to provide women in Canada and Quebec with economic equality, the government should recognize that only a

sharp directional change in employment strategies will guarantee the women of this country the economic security necessary for individuals to find their balance, for families to be healthy, and for people to enjoy respect. This government has its work cut out, but it remains to be seen if it will have the courage to get down to business.

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Madam Speaker, I would like to add a few comments and make some observations. First, it is not the credibility of the Canadian Advisory Council on the Status of Women which is being questioned here, but the operating costs, the duplication costs. We are talking about a third of the budget being used for three full time employees, the president and two vice–presidents, and some thirty former part–time employees appointed by order in council. I must say that one third is too much. For the rest of the money that we will keep, that the Canadian Council will keep, we will make a review and consult women to determine how to put that money to good use. I believe this is a better way to ensure that many of the questions you raised on certain points, some important questions, will get at least a technical answer. That is another story.

To conclude on your colleague's speech on health issues, my other mandate, that of multiculturalism, has showed me that we should deal with that shameful and hateful issue of genital organs mutilation through education and not only through a judicial and criminal approach. It is through education that we can reach multicultural groups and various ethnic communities and start an information process. We are making a film on that subject for doctors, nurses, families and centres, and I hope this will also help.

Finally, I would like to bring to your attention the fact that it is not the Advisory Council which studied the issues and data on violence which you mentioned several times in your comments. That research was done by a group on violence appointed and paid by the government. It is also Statistics Canada which conducted a comprehensive research effort, known world–wide, and studied the treatment of women in the context of criminal law. These are the people who brought that to our attention.

• (1630)

And it is I, as the minister for the Status of Women, who brought these data here, with my team. Do not create confusion for society at large. What was the role of the Advisory Council on the status of women? What is the role of the status of women, which I am in charge of? What are the roles of various groups in society at large?

I think that some answers to these questions could clarify things a little bit, so that we will know that equality of women will finally be coming. We know that a strong economy and the participation of women are the key to their independence. That independence is very important. Do you not think that, in the future, if we cannot be treated as equals, if we do not have the right to equal salaries, if we do not have the chance to be equal in society, we could be the victims of violence?

Mrs. Dalphond–Guiral: Madam Speaker, I just want to direct a comment to the hon. secretary of state. She talks about very high administration costs, saying that some women were paid outrageous salaries. When will highly paid men see their positions cut, too?

We are talking about education and communications. Since the hon. secretary of state maintains that the council's credibility was recognized, I wonder if the members of the Council on the Status of Women were consulted on the best way to review the overall handling of women's issues.

Women are being short–changed, in terms of equality. In the 1994 budget, there was the whole infrastructure program. I would like to know how many women got jobs in connection with the infrastructure program? And, if some of them did, it would still have been part time jobs.

Mrs. Christiane Gagnon (Québec, BQ): Madam Speaker, I thank my colleague for supporting my motion and for giving us an overview of the various areas in which the government is being criticized for its inaction. As far as day care centres are concerned, Quebec receives $35,000; and day care needs in Canada are said to amount to $2 million. As far as pay equity is concerned, women earn 72 per cent of what men earn.

I thank my colleague, and I would like to ask her if she agrees with the hon. secretary of state's comments during this week's budget debate. She said that—

The Acting Speaker (Mrs. Maheu): I am sorry to interrupt. The time is up, but I will give you 30 seconds to answer.

Mrs. Dalphond–Guiral: Madam Speaker, I have a slight problem. She said that—Not having heard the end, I cannot answer. Since you wanted to give me the time to respond, please allow her to complete her sentence.

The Acting Speaker (Mrs. Maheu): I would like to give the hon. member for Québec a short explanation on what is happening, because I see that she was slightly annoyed. When a member of the opposition has the floor, I must also give the other parties the opportunity to respond. If none of them rises to ask a question, I can recognize one of your colleagues.

Resuming debate.

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Madam Speaker, I would like to start by commending the hon. member for Québec for giving the elected members of this House an opportunity to debate a most important and relevant issue, in my opinion.

In my capacity as member of Parliament, I would like to draw attention to the fine job done by several organizations in my riding, non–governmental organizations of course, who work with women. I have already done so at a brunch to which I invited them on Friday to mark progress toward equality.

In light of the theme for the next world conference on women for equality—there certainly was some discussion on the subject—I would like to congratulate them again, as I did on Monday.

Last week, on International Women's Day, the Prime Minister summed up quite eloquently the role and contribution of Canadian women. I think it is important that all members of this House, both men and women, know what he said in essence.

• (1635)

"Today, said the Prime Minister, more women work in a broader variety of areas in which they have more influence on the decision–making process than at any other time in our history. And we have every reason to be thrilled about this. As we approach full gender equality, we are strengthening our society and opening new horizons for all Canadians. In Canada, women are making progress toward economic equality. Relying on their own means and abilities, women help shape the future of this country." Not only that of one province, I might add. "As for the Canadian government, it is meeting the challenge. Women's equality is not a matter of special interests or rights, but rather a matter of social and economic justice, a matter of good government".

This message is an inspiration to each and every one of us. It sets the role and contribution of Canadian women in the right perspective.

It is undeniable that we have made progress, by dint of hard work and often courage. But this progress does not benefit only women. It benefits the whole of our society.

[*English*]

This is because women's issues are everyone's issues. They are societal issues. They touch every single citizen.

We need to leave behind the cliché battle of the sexes where women's gains are interpreted as men's losses. We have to accept that when women advance toward equality everyone benefits. It is purely mathematical. When women, who make up 52 per cent of the population, are able to make a full contribution to society, 100 per cent of the population benefits.

[*Translation*]

What surprises me is the motion tabled this morning by the Bloc Quebecois member. The hon. member obviously does not realize that the best way to help women is first to be a good government.

She should know that by creating 433,000 jobs in one year, the Canadian government makes a concrete contribution to women's economic equality. The member should also know that by putting our fiscal house in order, we protect our prosperity, our social programs and our quality of life, something which equally benefits Canadian women and men.

[*English*]

The motion we are debating today talks about concrete action. Here are some examples of specific actions taken by this government. The job training and illiteracy programs provide women with some of the tools for greater economic independence. By combining these tools with job creation the government can help women access a full range of choices in their lives.

Our initiatives for small business, including improved access to capital, will help women entrepreneurs and create a climate more conducive to the creation of jobs for both women and men.

The Employment Equity Act improves the employment opportunities for women. Youth Service Canada, a new strategic measure, helps to put out of school and unemployed young people of both sexes back to work. The infrastructure program has funded projects such as the rehabilitation of a children's centre, the construction of community health centres, libraries, municipal day care centres and shelters. All of these are very concrete initiatives to help women achieve economic equality.

[*Translation*]

To be a good government also means adjusting our structures to make them simpler and more efficient.

This is why my colleague, the Secretary of State for the Status of Women, announced earlier this week the merging of three organizations dedicated to promoting women's equality.

As part of its program review process, the government examined the role of Status of Women Canada, of the Equal Opportunities for Women Program at the Department of Human Resources Development, and of the Canadian Advisory Council on the Status of Women.

It became clear that these three structures promote women's equality and, to various degrees, conduct research and work in close co–operation with women's groups.

Consequently, the government concluded that the best way to improve efficiency was to consolidate its initiatives to promote women's equality under the structure of Status of Women Canada.

This means that the Equal Opportunities for Women Program will be transferred to Status of Women Canada.

• (1640)

As well, the research, communication and public information functions of the advisory council will become part of the routine operations of Status of Women Canada. This transfer will enable us to better manage the human and financial resources involved, eliminate duplication, and put an end to political appointments. These are all measures which the Bloc Quebecois keep asking us to take as a government.

This will help us create a "one-stop shopping" operation; to eliminate confusion and improve access to the government; to improve research, communications and public information services; to strengthen links with local, regional and national women's groups, NGOs and universities; to ensure that funding for independent research is available; and to allow the federal government to focus its efforts toward promoting equality for women. These are tangible actions, not only words. This is a series of dynamic and realistic initiatives, which, put together, help Canadian women to progress towards social and economic equality.

Also, I want to mention that this government managed to take measures when it elected—or appointed, as the opposition would say—qualified women to positions in this House. I think significant progress was made when more women were elected to this House. This is one of many ways to ensure that women are on the road to economic and social equality.

[*English*]

Ms. Maria Minna (Beaches—Woodbine, Lib.): Madam Speaker, I want to congratulate my colleague for her well presented thoughts.

The commitment of the government to women as well as my commitment and that of my colleague is quite evident. Given that we are talking about women's economic equality, would it help and enhance women's economic equality much faster in all parts of Canada, including Quebec, if we were to get past and get over as quickly as possible this issue of separation which is in effect holding back the whole country economically, not just women?

Mrs. Bakopanos: Madam Speaker, I thank the hon. member for her question. Definitely. I spent 15 years working with Quebec politics and I see no progress for women if we constantly talk about separation, if we constantly talk about dissolving the country.

We have often said on this side of the House the worse way to advance the cause of women is by focusing on the issue of separation and not focusing on the issue at hand, assuring economic and social equality to women.

It is very unusual that members on the other side of the House talk about solidarity among women and yet they cannot talk about solidarity of all Canadians. We have to start by being united and have a united front to attack some of the problems that face women and men.

Women's issues are not simply women's issues. They are societal issues. We must work together in a united Canada to be able to ensure that women progress both socially and economically.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Madam Speaker, I was intrigued by earlier comments of members concerning the recent report of the Canadian Federation of Independent Business. It seemed to suggest there was a gender bias of some description in lending.

With some experience in the CFIB mode of surveying, I wonder if this is correct or if this is a reflection of the people who responded.

• (1645)

I would like to put some interesting information on the record. It is from a Statistics Canada national survey on the financing of small business, dated November 1994. Statistics Canada found that 18 per cent of small businesses owned by men who had sought financing had been refused. For women the figure was 24 per cent.

StatsCan noticed that this difference may reflect an industry preference rather than sex discrimination by the lenders. An example that suggested this industry preference is the business and personal services industry which is the largest share of businesses owned by women. In fact, if there was a bias it had more to do with the kinds of business women determined they were going to try to open. It was not a gender bias.

The other was the question of whether or not there was a bias based on interest rates. Research has shown there is not a gender bias. It is strictly based on the credit worthiness of the business.

Mrs. Bakopanos: Madam Speaker, I am very pleased about this question. At least we can stick to the facts about how far women have come in terms of economic equality.

I want to bring to the attention of the member that Pierrette Leroux, who is the executive vice-president of the CFIB, said there is no doubt that women are penalized by banks and financial institutions. In fact, she called it financial sexism.

As this government has said, unless we can take care of our financial house, no one will be able to benefit from the resources we have, including women. When we talk about interest rates, we have proven by the budget we put forward, and the whole economic community agrees with us, that Canada is on the right track. Once we continue with the initiatives we have set forth in the budget, then hopefully we will move even closer to economic equality for women and all Canadians.

Hon. Diane Marleau (Minister of Health, Lib.): Madam Speaker, I am pleased to stand today to reaffirm the position of this government. We are here to ensure that all Canadians,

especially those who are most disfavoured, have equal access to the tools necessary for them to lead a prosperous life. That is one reason we are working so hard to get our house in order. However, we are trying to do it in the most compassionate way possible.

For women and all Canadians to lead an economically sound life they also need to be healthy. One thing follows another. We already know that more women than men who are poor tend to have a lower level of health. Women's health is a priority for this government. In the red book we promised to take action to improve women's health. This is a promise I am determined to fulfil. Canadian women deserve no less.

Canadians take pride in our health care system which is considered by many to be the best in the world. If we scratch beneath the surface, it is obvious that not everyone shares equally in its benefits.

Women are the primary caregivers to our families, our friends and our communities. Yet we overlook the factors that assure those same women their health.

The traditional understanding of women's health has focused primarily on reproductive concerns. Clearly, we need to look at women's health not just in relationship to men. It is not enough to simply compare life expectancy or the absence of disease as indicators of health.

We have to ask why women are often mistreated or overtreated by the medical system. We need to question why the distinctive effects of chronic diseases on women, especially in later life, have been overlooked. We have to ensure that diseases exclusive to women are no longer ignored by the scientific establishments.

[*Translation*]

Medical practitioners and decision makers are realizing more and more that women's health is part of the social and economic context of daily life.

• (1650)

It is increasingly understood that the determinants of our health—our individual and collective experiences as women—are particular to each of us.

Women cannot be viewed as a homogeneous group. Our health is affected not only by gender but by various other factors such as age, race, social status, education and, yes, income.

We have to deal with larger issues such as poverty, violence, racism and a host of other problems that are inextricably linked to the health and welfare of women. Good health and welfare certainly do not depend solely on health care.

Women keep saying—and society as a whole is beginning to believe it—that health care must be based on an holistic approach that encompasses our emotional, spiritual, cultural and physical well–being.

To improve the health of women, we have to eliminate the social and economic inequalities that hinder their personal growth.

We do not want impersonal health care. We believe that we should have a community–based continuous health care system delivered by a wide range of auxiliary health workers and health professionals. Midwives and nurses, among others, can often offer women quality care tailored to their needs.

[*English*]

We are devoted to the principle of self–care respecting that individuals know their own self–interests. We also hold that individuals have responsible roles to play in their own well–being.

Many of the dossiers I deal with are very difficult and demand some very difficult choices. One of the dossiers I have under me deals with breast cancer. It is a very difficult one and I must admit one that governments have not particularly taken to heart in the past. It is something I am working diligently at addressing to ensure that adequate dollars are put forward for research, not only in the treatment of breast cancer but also in the dissemination of information and research into the causes of breast cancer.

The recommendations brought forward by the National Forum on Breast Cancer underscore the key roles women must play in deciding their own regimen of care and treatment and in determining the direction research should take into the causes of the disease and its prevention.

Through collaborative efforts of Health Canada, non–governmental organizations and industry, it is estimated that approximately $45 million will be available for research over the next few years to address breast cancer. Is this enough? No, it is never enough. We are going to have to continue to work diligently to increase the focus and the attention that is paid to this very, very difficult disease, one which affects many women in this country and has for many years.

We realize that initial prevention and avoidance of harm rather than health intervention is essential if we are to secure personal health and safety as well as economic equality. This is particularly true when we talk about substance abuse and sexual or physical violence. For this reason, harm reduction efforts of a gender specific nature have been critical components of many of our programs.

[*Translation*]

The women and tobacco initiative, an integral part of our tobacco demand reduction strategy, is another specific program for women.

Smoking is the first cause of premature death of Canadian women. More than 15,000 Canadian women die from the adverse health effects of tobacco.

Thanks to programs specifically designed for women, awareness campaigns, and research, we are now able to help many women quit smoking for good.

In the same vein, we have launched a program to reduce smoking and promote healthy lifestyles. That program is aimed at low income women, undereducated women, single mothers, young women and Native women.

Any investment in those sectors can be productive during a lifetime, sometimes right from birth.

[*English*]

We are convinced that health promotion and disease prevention are the best long term routes to good health. That is why we believe it is better to invest in the Canada prenatal nutrition program which assures healthier outcomes for both mothers and babies than in high tech heroics to save infants at risk.

• (1655)

We also share concerns about the efficacy of medical devices as well as the ethics and social and health implications of new reproductive technologies. We worry they have the power to fundamentally alter the lives of our children and families because they open the door to genetic technologies.

Expanding our vision of health; reducing our dependence on technology; doing what works, involving a broader array of health providers; self–responsibility; and a greater emphasis on promotion: These same topics match the key priorities identified as crucial to the renewal of Canada's health system and ultimately to our national well–being. They are particularly pertinent to women, but they are not just women's issues. They are society's concerns.

[*Translation*]

To solve many of those problems, positive response to change is required. I am convinced the health system reform offers the best chance of success. We should also remember in political discussions that we are here to serve the people, to serve Canadian men and women, and not only governments.

Mr. Ghislain Lebel (Chambly, BQ): Madam Speaker, I would like to thank the minister for her remarkable speech. I have seldom had the opportunity to listen to such a long speech made by her and I want to congratulate her. Her speech is full of good intentions and I can tell she knows this issue thoroughly.

I am not rising to blame anyone. Unfortunately, in spite of all the policy statements and the good intentions expressed on both sides of this House, on the government side, there seems to be a distortion between what they say and what they do.

We have had many days like today where we discussed the status of women. I remember last December 6 was one of those. The women of the Liberal Party joined the Bloc Quebecois women to denounce the sometimes tragic situation of women.

However, in our daily lives, in our bills, we seem to forget all the promises, all the good intentions and we just brush honourable thoughts under the carpet. For example, the Liberal members and ministers, and perhaps even the minister who just spoke whom I regard and respect highly, are not opposed to measures like the one implemented in last year's budget, which takes into account a husband's salary to determine if a woman will be entitled to unemployment insurance benefits.

When we proposed other legislation, what did they do? Did they fight for child care? I know they are all good human beings and I respect them, but they are just not there when time comes to keep promises, turn words into deed and principles into actions. Unfortunately, they then often slip away.

I said at the beginning of my comments that I did not want to criticize. On the contrary, I hope that, like the health minister, women in the Liberal Party will be able to put pressure on their male colleagues, who are the majority, so that they take some actions in favour of women.

Do not be surprised if it is a man who is telling you this today. I have three beautiful daughters whom I love as much as my son, and I see that the future that we are preparing for them, the environment that they will have to work in, is not always to their advantage.

I am not asking for special privileges for women. I am simply asking that they be treated the same way as men and, often, as some minorities. In Canada, our women are not treated as well as some minorities, and I feel that this is not right.

I thank the minister for her fine speech. We can tell that she knows the subject and that her intentions are good. What I am asking her is, does she intend to promote her ideas within her own party?

• (1700)

Ms. Marleau: Madam Speaker, I must say that it is absolutely necessary to keep working together, not only in this party, because here we really care about the status of women and the status of minority groups. As you know, many women are members of minority groups. My point is that we intend to do everything we can, despite an economic situation that is still pretty serious, to ensure that the dollars we have go directly to those who need them most. These are sometimes difficult decisions. We have groups that do good work, but the dollars we give them do not go directly to those who really need them.

When I consider the spirit of co–operation we see today when we talk about the status of women, especially poor women, and when I consider that for years we have had constitutional debates to decide which level of government should do what, and all kinds of commissions, and all very expensive, I start

thinking that if we had worked together and collected all those dollars that were spent over the years and if we had all decided that the best thing we could do for Canadians was to sit down and do something about their economic situation, just imagine what we could have accomplished. We could have a national day care system. We would not have to fight about whether this is a provincial or a federal area of jurisdiction or priority. It would be wonderful if we could do that.

However, the fact is that we have provincial governments that have certain responsibilities which they are not prepared to relinquish. That is mine. Hands off. Even if what you want to do is very good, do not interfere. This causes problems, delays and a lot of frustration, especially for this minister, who realizes that these are very difficult issues.

When we consider what we could do if, first of all, we invested in our children, in children from infancy to 6 years of age, if we could intervene at that level, we would not have to build prisons, which we will have to do because we cannot afford the luxury of helping our children. We will do what we can. I would like to ask all those people who want the best for our children, for women and the future of our country, to get together and work on this and take the dollars we have to really do something good for Canadians.

Mrs. Maud Debien (Laval East, BQ): Madam Speaker, on March 8, we celebrated International Women's Day with all our sisters and colleagues around the world. Let me tell you that our day is no exception to those important days that we celebrate over an eight–day period.

I consider however that a single day is not enough to allow us to say that we have won the game. This day marks a time–out. It lets us have a moment's reflection before going on with the task at hand. On the last day of this octave, I am pleased to rise in this House to draw attention to the substantial and hard–fought gains made by women and set them in the perspective of future initiatives and representations, particularly with regard to Quebec women.

I also take this opportunity to salute all of Laval's women's organizations devoted to the well–being of their fellow citizens.

Let us never forget that the courage, determination and dedication that characterize earlier generations of women before cannot be overstated. These qualities have revolutionized the established order. In their quest for self–sufficiency, these women broke new ground so that their daughters could enjoy equal access to the right to vote, to higher education, the labour market, financial independence, political power and the corporate world.

• (1705)

These past few years have also seen a number of firsts: first woman in space, first woman Prime Minister of Canada, first woman leader of a Republic, first women Supreme Court justice, first women member of l'Académie française, and the list goes on.

In fact, the statement issued following the recent world summit on social development held in Copenhagen reiterated ten commitments, including that of promoting absolute respect for human dignity, ensuring fair and equal treatment of men and women, recognizing and reinforcing the participation and role of women in political, economic, social, cultural and everyday life as well as development.

Where are we now? Today, women collectively ask themselves: Where are we now? What is the result of our efforts? What will be at stake the next time? We all know, from personal experience, that some progress was made. But let us not fool ourselves.

In spite of these improvements, major inequalities continue to exist. In times of budget cuts and high unemployment, women and the poor may well end up paying the price. Some realities remain true: women still only earn 72 per cent of what men make, the majority of them are in low paying jobs without any security, daycare services are inadequate, elderly women are poorer than their male counterparts, and so on.

What is the situation in Quebec? Many Bloc members travelled across various regions of the province in recent weeks, along with the regional commissions on Quebec's future. As you know, the hearings held by the 18 Quebec commissions were a true success. Over 50,000 Quebecers participated in these very productive discussions, as part of the largest public consultation exercise ever held in Quebec. People from every age group and background came and told us what they expect from a sovereign Quebec.

Once again, Quebecers showed that they can listen to each other, understand each other and get along with each other. They came and told the Quebec government about their hope for a generous, united and responsible Quebec which will care about women, children, workers, seniors and young people. Many women's groups participated in the debate. I can tell you that their vision of Quebec's future is not that of the current federal government. Can the gap between the reality in Quebec and the way the federal government is perceiving it be that wide? The Secretary of State for the Status of Women and her Quebec colleagues in the Liberal Party of Canada have missed a first rate opportunity to get back in touch with Quebec's reality.

In any case, since Liberal members were absent, I will try to convey to them what Quebecers told us. First of all, as I mentioned before, women groups told us, as they did during the

Bélanger–Campeau Commission hearings, that they want major changes. These women want the federal government to stop interfering in areas affecting them, such as work conditions, family law, income security, day care and abortion.

The involvement of two levels of government in these areas, they said, leads to administrative overlap, program and structure duplication, a lack of harmony between provincial and federal policies, hence a waste of public funds and the inability of the Quebec government to initiate a coherent policy on women's issues.

Do you want examples, Madam Speaker? Maternity leaves are granted pursuant to the Act respecting Labour Standard while compensation for lost income is paid pursuant to the Unemployment Insurance Act, which makes it difficult for Quebec to implement a coherent policy concerning parental leaves.

• (1710)

Let us deal with the preventive withdrawal of employees who are nursing or pregnant. In Quebec these women are covered by the Occupational Health and Safety Act, while federal employees and women employed by federally regulated businesses are covered by the Canada Labour Code. The level of compensation is not the same, which has the effect of creating two classes of female employees in Quebec.

Furthermore, federal intervention in family matters illustrates the double jurisdiction that exists in matters of family law. The federal Parliament has jurisdiction over marriage and divorce; Quebec has the authority to legislate on the celebration of marriage, matrimonial property, adoption and separation.

As the Council on the Status of Women said so succinctly, women, depending on whether they get married, separate or get a divorce may be provincially or federally regulated. Furthermore, this double jurisdiction prevents Quebec from creating a single family court.

I could go on and on and talk about the overlap in income security, social services, day care and many other areas.

There is a lack of consistency that has often been criticized and which women's groups brought up before the regional commissions on the future of Quebec.

My colleagues have, throughout the day, reminded this House of the government's failure to adopt concrete measures to promote the economic equality of women. Bloc members also condemned the drastic cuts in the latest federal budget and made it clear that women may be severely affected. The government claims it cannot afford to take steps to promote equality and equity, but it is not doing a thing to stop the waste, duplication and inconsistencies generated by overlapping federal and provincial policies.

The federal government has proven it is incapable of responding to the urgent needs and repeated requests of women in Quebec. As I pointed out earlier, Quebec is more progressive in a number of areas. All it needs is the tools to go even further and pursue an integrated development process.

There is an English expression that says "if you can't take the heat, get out of the kitchen". Women want the federal government to take this to heart and let Quebec have sole authority over areas connected with the status of women.

For all these reasons, I fully support the motion moved by the hon. member for Québec, and I urge the federal government to withdraw now from all areas under provincial jurisdiction.

[*English*]

Mr. John Bryden (Hamilton—Wentworth, Lib.): Madam Speaker, I thank my colleague for her remarks. I would like to follow her lead and take the debate in a slightly different direction. I ask her to remember that Quebec society of say 50 years ago was quite a different society than it is now.

It was a society that was very much oriented toward the church and the family. Indeed, during the second world war the francophone population of Quebec opted for the motto of the Vichy French, that the family and home were the important things rather than the traditional French motto of liberty and equality.

After the second world war we moved into a period in which there was the great liberation of Quebec socially. There have been wonderful advances in Quebec in freeing up the contribution of Quebec's women to the economy and culture of the country—not only francophone but anglophone as well.

Does the member not feel this change—it is a profound change that occurred in Quebec in the fifties and the sixties—owes much not just to the forces within Quebec society but also to Canada itself? I remind her that some very positive initiatives were coming from the federal government, particularly under Mr. Pearson and Mr. Louis St. Laurent which led to the kind of society that she wishes to see in Quebec.

• (1715)

[*Translation*]

Mrs. Debien: Madam Speaker, I would like to thank the hon. member for his question. Indeed, Quebec has changed a lot, particularly since the fifties and the sixties, in the context of what was called the "quiet revolution".

The hon. member tells me that there was a profound change, and I was part of it; he also says that this profound change was due to forces within Canada that accompanied with the forces within Quebec. I would also like to ask a question to the hon. member. I would like to know what these forces are, because he

did not mention them. Saying that there were forces of change is one thing, but we would like to know what they are.

In Quebec, we know what our forces of change were and what contributed to these forces. We admit that there were also forces in Canada, but I would like to know what were the forces of change in Canada that might have had an effect on Quebec. Personally, I do not see them. That is what I am now asking the hon. member.

[*English*]

Mr. Bryden: Madam Speaker, far be it for me to instruct the hon. member in the history of Quebec. There is no doubt that in the fifties and sixties there was a great reaching out by the federal government under Prime Ministers Louis St. Laurent and Pearson. The history of the federal government did tend to be a history of anglophones prior to the arrival of Mr. Louis St. Laurent and Mr. Pearson and then we had Mr. Trudeau and so on.

We had an attempt, a very successful attempt, to involve Quebec in the life of the nation at large. Quebec has contributed enormously to Canada. I am surprised that my hon. colleague does not appreciate this.

[*Translation*]

Mrs. Debien: Madam Speaker, I will answer the hon. member by saying that we certainly did not take the same courses in the history of Canada and of Quebec.

[*English*]

Mr. Ian McClelland (Edmonton Southwest, Ref.): Madam Speaker, it is a pleasure to spend a few minutes this afternoon on this opposition motion. As I listened to the debate unfold this afternoon, with people speaking with heartfelt conviction from different political perspectives on the whole notion of women's issues, it was interesting to reflect on it based on our own personal experiences, our life experiences.

I thought of my mother and grandmother. My grandmother was a war bride after the first world war. She came from a life of some luxury in Scotland and arrived on the prairies in Vulcan, Alberta to live in a sod hut. I thought of what she went through in her life as they were breaking the prairies. I thought of how her circumstances changed relative to the circumstances of my mother who often said perhaps her life would have been a little easier if she had been a man. I think that was because she did many things which were not normally within the purview of women. To be charitable, she would never rate all that highly on a scale of one to ten regarding her interest in washing floors, dishes, and that kind of thing.

• (1720)

Interestingly she was the first women photographer ever in the newspaper guild in Canada. She edited and wrote a newspaper column for many years. I am very proud of her. She is in her mid–70s. She always wanted to write a book so she wrote a book. We are now getting it published.

In her lifetime and in the lifetime of many of the women and men in the House, the role of women has changed dramatically in our society. It has changed dramatically as a result of the emancipation of both men and women. Perhaps the greatest change that has taken place, at least to my thinking, is the generational change between my parents' generation and my generation, and the relationship we have with our daughters.

Most of us in this room who have daughters expect our children to be treated with absolute impartiality, regardless of their gender.

My wife and I have a daughter who is an engineer. She is a very competent person. It used to drive her crazy every time a male opened a door for her because she could do it on her own, thank you very much. I said to her: "Kate, there are times when you just have to be a little gracious. Perhaps whoever is opening the door for you is just being polite. It is not a statement meant in any way to put you down".

Perhaps one of the things that is missing in this great raging debate between men and women is that every once in a while we have to lighten up and not take ourselves so seriously.

We evolve as a people and as a nation. It is an evolutionary change not revolutionary change. There are those who would say that evolutionary change has a way of being better than revolutionary change.

I believe the debate was worthwhile and placed in good faith by the Bloc. It is worthy of mention that there are all kinds of inequities in life, not just inequities of women. They may feel for one reason or another that their potentials are not realized. It is not just people of different ethnic backgrounds who feel that maybe their potentials are not realized because of that background. These things are not right and it is a value system that we all share.

We recognize that people should not be restrained from the opportunity of achievement because of any physical characteristic, whether they are women or because of their colour or because of their religion, or anything. It is the equality of opportunity that everyone feels is a right in a free society. Circumstance is earned. Provided we, as a society, ensure that everyone; women, men, young and old, have equality of opportunity, then we are on the right track.

Our challenge is to ensure equality of opportunity, that the ladder between success and failure is climbed by the amount of effort put into whatever opportunity is afforded.

I thank the House for the opportunity to put a few thoughts on the record. If anyone has any further comments, I would be delighted to entertain them.

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Madam Speaker, I am anxious to comment on this debate because the whole question of women's inequality and what it means for violence against women forms very much a part of the work that I do as Minister of Justice on behalf of the government. I am happy that this issue has been put before the House today for discussion. I congratulate members of the Bloc for devoting this opposition day to such an important subject.

• (1725)

By way of comment, may I make it clear to my colleagues that the government is keenly aware of the findings of study after study in recent years which have addressed the issue of violence against women, and which have concluded almost invariably that violence against women is connected directly to the economic inequality of women. As a logical consequence, we will never effectively address violence against women until we come to grips with the causes of the economic inequality and correct them. It is surely a matter of common sense.

Most of the unpaid work done in our society is done by women, whether it is volunteer work or work in the home. There is a body of work done by Marilyn Waring, a New Zealand economist who has studied this phenomenon. She contends persuasively that until we find a way to collect census data to value the work done by women, we will never really have a true picture of their contribution to the economy of our society.

We must also bear in mind that women have a disproportionate responsibility for home and family. Despite the social changes of recent decades, preponderantly it is the woman who must take responsibility for the children and for maintaining a stable home environment for the family. They do so at an enormous cost to their professional aspirations, to their economic and financial opportunities. It is a cost that is often unfair, invariably beyond compensation. In the case of family break–up often it is the cause of real financial hardship.

When women do work too often they are consigned to the pink collar ghettos; clerical or secondary, supportive roles in the workforce that deny them the opportunities for fulfilment in the development and use of their full potential. We are told by those who keep statistics that 80 per cent of the clerical positions in the country are held by women. Even when they work in full time positions women earn 72 cents for every dollar earned by men in full time employment.

This ties directly to violence. Women are constrained to stay in abusive relationships by economic necessity for themselves and their children. Because they are in a disadvantaged category in society they do not necessarily have access to means of help to get out of those relationships, with tragic consequences for themselves and for the children.

This issue is of such significance and breadth that I cannot do justice to it in the few minutes allotted to me today. If there is anything I would record for the House before I sit down, it is the profound commitment of the government to do whatever it can in the mandate that the people have given us to address the issues we are discussing today.

In some small way we must start a process of broadening people's understanding of the questions, of working toward their resolution, of turning around the attitudes of people against violence against women and the economic inequality of women so that together, with a better understanding of the issue and a common resolve to see it addressed, we can improve the situation for the young women of Canada who will tomorrow come into their own.

The Acting Speaker (Mrs. Maheu): It being 5.30 p.m., it is my duty to inform the House that pursuant to Standing Order 81(19) proceedings on the motion have expired.

The House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CANADA STUDENT FINANCIAL ASSISTANCE ACT

The House resumed from December 5, 1994 consideration of the motion.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Madam Speaker, it gives me pleasure to address motion M–291 introduced by my leader earlier this year.

Today I would like to talk about education in the new economy. I would like to address not just the details of the income contingent loan repayment idea but how it fits into the bigger picture of training and learning in the new economy and what this means to younger Canadians.

The Journal Policy Options said last November:

> The observation that Canadian universities in 1993 are in a state of serious crisis is now commonplace. Nobody agrees more than administrations, faculty and students. A preoccupation with underfunding pervades every campus.

Yet the demand for university education is skyrocketing. In Saskatoon and Regina near my constituency it is becoming increasingly difficult not only to get into the universities but to get into the colleges that prepare students for university. Thousands of students are being turned away and this is a reflection of our changing economy.

Natural resources have always been part of our country's greatest asset. Our economic and social progress was financed

with beaver pelts and fish, with logs and grain, with minerals, with oil and gas and with power generated by our rivers.

Times change. We are increasingly turning our raw natural resources into manufactured goods, everything from cars and snowmobiles to fish sticks and frozen french fries. It is a valued added, information based economy today and those who would tap into this new economy must have the know how and the skills to compete with countries all over the world.

Canada's old economy, labour intensive based on natural resources and basic manufacturing, is no longer able to pay for all the things we want as a country and is no longer providing the jobs we need.

The situation is not unique to Canada. The countries of the developed world are experiencing the most important economic shift since the industrial revolution, the shift to a knowledge based economy in which the brain power of our citizens is our most valuable natural resource.

Government can help to cultivate Canada's most important natural resource, to develop our country's intellectual infrastructure by helping young people get a quality education. Two direct ways to do this are to invest public funds in education, for example by distributing cash transfers through a voucher system, and the other by enabling Canadians to invest in their own education through an improved system of student loans.

For the first time in 40 years and only after the Reform Party brought up the idea, the Liberals are looking at the income contingent loan repayments as a realistic way to help finance post–secondary education.

Let us take a look at the proposals by the Minister of Human Resources Development. The Liberal social policy discussion paper points out that established program financing for education is currently frozen. This funding consists of $3.5 billion in tax points on $2.6 billion in cash. The government says the value of tax points will increase as the economy grows and because of this the cash transfer will taper off to zero in about 10 years if nothing is done. His discussion paper proposes an immediate elimination of the cash transfer and the implementation of a student loan system where repayment of the loans depends on income.

In question period some time ago the Minister of Human Resources Development said the growth and value of tax points represents an increase in education funding, but that is clearly not the case. The reality is the cost of education will probably grow at least as much as the value of the tax points and possibly quite a bit more. All other things being equal, the elimination of the cash portion of federal transfers would represent a funding reduction of over 40 per cent.

• (1735)

The government has recently figured out that we have a debt problem. It is encouraging that the Liberals are finally coming around to the Reform's way of thinking on income contingent loan repayments. A lot of work needs to be done. The crushing debt burden on Canadians, in particular the burden to young Canadians, will force them into more difficulty in the future.

What have we done for our young people lately? There is nothing more important to the future of our country than our young people. This is something politicians say every time they go to a campus or a high school, or otherwise make a political pitch for the youth vote. I say it, the Liberals say it and members of the Bloc say it. Talk is cheap.

Let us consider for a moment what we have done for our young people lately. By creating the national debt we have robbed from the next generation, our young people, to pay for today's consumption. I have said this across the country as I have travelled on the social program reform review. We have loaded off a tremendous debt on to our young people.

The government has spent tax dollars our grandchildren have not even earned yet. We have done something else. Through high debt and high taxes government has aided and abetted the decline of the Canadian job market. One result is that too many young people with degrees are flipping hamburgers or working as bartenders.

The spendthrift ways of our government have also crowded out education funding, resulting in a decline in the quality of education and higher tuition fees. Recently the Minister of Human Resources Development proposed eliminating the cash transfers in support of education altogether. Just a few months ago we saw students protesting hikes in tuition fees on Parliament Hill. As I said, talk is cheap.

We must realistically address the basic problems of the student loan system. Just as if unemployment insurance payments were reduced nationally, the welfare roles would swell. As post–secondary education funding to the provinces dwindled, tuitions rose and students turned more and more to student loans. More and more of them default when they cannot find jobs after university.

By 1992 loan defaults reached unprecedented levels. Almost one–third of outstanding loans were in default. Only two–thirds of those who had reached the repayment stage had begun to pay. Since 1964 the value of defaulted student loans has reached nearly $1 billion. The true cost of the student loan system to the taxpayer is also unrepresented because the government charges only simple interest on defaulted loans.

There is another problem with the present system which works hardship on students. Under the present system students must begin repaying student loans eight months after graduation whether they have a job or not, whether they have a high paying

job or not. This leads to an onerous burden on some students and eventual loan defaults with collection costs, loan write–offs and general increased costs to the taxpayer.

Under the income contingent system students would begin repaying their student loan only after they had found a job with a minimum level of income. The federal government would collect the student loans back through the income tax system. This would mean that students would declare their social insurance number on their student loan forms.

If students were allowed the flexibility of repaying their loans over a longer period of time through the income they earn in the future, tuition fees could rise to allow an education of continuing high quality. Students would be able to afford the tuition fees as they could repay over a longer period of time.

An income contingent program would also allow fee structures in universities to be more flexible, introducing a greater element of supply and demand in the system. It would squeeze out the irrelevant and useless courses from our universities, which everyone agrees should be done. If students must pay something more like market value for an education they would choose courses more carefully and universities would begin to supply what was demanded by the market.

I hope this will encourage parents and grandparents to save in an RRSP type fund for their children and grandchildren because of the onerous costs which will be involved.

• (1740)

Mr. Tony Valeri (Lincoln, Lib.): Madam Speaker, I am very pleased to debate the hon. member's motion.

I know the hon. member appreciates the value of a good education and wants to ensure all Canadian students are given every opportunity to fulfil their education potential. On that point I am sure all members of the House are in agreement.

Education is a provincial responsibility. It always has been and always will be. Even though that is a given, the federal government recognizes its role in helping to make the post–secondary education system accessible to all Canadians wishing to participate in it.

The government would be acting irresponsibly if it did not consider support for post–secondary education in the context of our fiscal framework.

I remind the leader of the Reform Party that when the government began reviewing our social security system, we made it clear federal support to post–secondary education would have to be put to the best possible use because of limited resources.

That is still the case. Nothing has changed in that regard. The budget proposes to bring together transfers for health, post–secondary education and social services into a single bloc transfer.

This is a simple recognition of reality, not only the reality of fulfilling the mandate Canadians have given us to bring down our deficit but the reality that in the 1990s this will be a much more effective way for the provinces to administer federal funds that support social programs.

The government also supports post–secondary education through the Canada student loans program. When the government passed the Canada Students Financial Assistance Act last June, it introduced significant reforms to the Canada student loans program.

Intended to help students complete their post–secondary studies without undue hardship, the act provides for the repayment of student loans on an income contingent basis.

My colleagues from the Reform Party actively supported this provision. As a result, I am confused why my hon. colleagues are proposing such an amendment at this time.

Since the act was passed the government has consulted many parties on the concept of linking repayment of loans to income levels and that such a measure is still very much a possibility.

In its report to the House, the Standing Committee on Human Resources Development said that during its nationwide hearings it received energetic and concerned input from many educators in colleges and universities.

We can get a good handle on the desires of Canadians regarding federal support to post–secondary education by examining the committee's findings. The committee's report stated the fiscal situation of all governments precludes additional public spending on higher education in Canada.

The committee pointed out that because the government is reviewing its support for post–secondary education at a time when educational institutions are under increasing pressures, fiscal and otherwise, it must ensure scarce resources are used as efficiently and effectively as possible.

The committee noted that in debating federal contributions to PSE, it is essential to stress provincial jurisdictions over policies governing colleges and universities. It is important to help enhance the viability of colleges and universities while not interfering with provincial jurisdiction.

The committee's report reflects the broad views of Canadians on our post–secondary education system. I believe it is reasonable to ascertain from its input that the direction in which the government is moving has widespread support.

There is another aspect that I do not believe the hon. member's motion takes into consideration. Because of what I mentioned regarding the provincial jurisdiction over post-secondary education, the federal government, even if it had unlimited funds, has no authority to tell the provinces how they should spend current PSE dollars.

There is no equivalent to the Canada Health Act in this area. I would therefore urge the hon. member to make his views on improving the post-secondary education system known to provincial education authorities.

I assure him we would certainly welcome the support of the Reform Party and of all members in strengthening post-secondary education.

Here is the new reality. Beginning in the 1996-97 fiscal year we will consolidate the current transfers under the established programs financing and the Canada assistance plan into a single block fund to be known as the Canada social transfer.

• (1745)

In the first year the CST will be $26.9 billion. That is a drop of $2.5 billion. If we also consider the equalization payment, total major transfers will be only 4.4 per cent less than the current total. However cuts in all other areas of federal spending will be 7.3 per cent compared to the current system. In other words the government is doing what Canadians have asked us to do. We are getting our own house in order.

Equalization payments are not affected by the budget. Hence total cuts to those provinces with greater need will be less than the average cuts to all provinces. While councils that distribute research grants will be doing their share to help meet our deficit reduction targets, universities will still benefit from research grants totalling $900 million for research on medical issues, science and technology and the social sciences and humanities.

The government appreciates that the hon. leader of the Reform Party has brought forward the issue for debate. I assure the hon. member that the Minister of Human Resources Development will work in collaboration with the provinces to establish the shared principles and objectives for CST.

Post-secondary education will not be shortchanged by us or the provinces. We all recognize, as does the hon. member, that colleges and universities play a vital role in training a highly skilled workforce.

Therefore I would like to move an amendment to the motion:

That Motion M-291 be amended by deleting all the words after the word "system".

I urge the House to support the proposed amendment that would endorse the continued investigation of the feasibility of the ICR concept in the broader context of helping students cope with the debts they incur by investing in their own future.

[*Translation*]

Mr. André Caron (Jonquière, BQ): Madam Speaker, I am pleased to speak to the motion put forward by the hon. member for Calgary Southwest to amend the Canada Student Financial Assistance Act to include an income contingent loan repayment system. I am aware that my colleague from the Liberal Party has just moved an amendment but I do not think this will affect my discussion of the main motion since the amendment is consistent with the spirit of the motion by the hon. member for Calgary Southwest.

The hon. member favours an income contingent loan repayment system. We know that, under the current loan repayment system, loans are guaranteed by the government. A few months after graduation, the student starts repaying his or her loan according to a schedule set by the bank and at regular interest rates. In his first speech, the hon. member for Calgary Southwest pointed out that about 20 per cent of students had trouble repaying their debts under the current system.

Our Reform colleague's proposal links the annual amount and repayment period of the loan to the student's annual income. It also provides for debt collection through income tax.

• (1750)

At first glance, the proposal may seem attractive in the sense that it allows for some flexibility, which is a good thing for a person in debt. It is important that the system be flexible enough to allow for specific situations. Last week, the Quebec ombudsman noted, while referring to young people who have problems repaying their loans, that one of the main problems was that the banks currently do not have the required flexibility to take into account the situation of these young people, with the result that several of them have no choice but to declare bankruptcy. Obviously, some improvements could be made in that regard.

Collecting debts by using the tax system is also interesting in the sense that very few people can avoid the tax man. This would ensure that the debts incurred by young people for their education would be repaid.

However, when you think of it, that proposal is not as good as it may seem. It is seriously flawed in a number of ways. First, it is based on the principle that education is young people's responsibility. It is up to them to pay for their education, whether by holding a job or getting into debt. It becomes a case of every man for himself. It is the law of the jungle. Society admits to no responsibility toward anyone and leaves it up to each individual to fend for himself.

This is not the principle which led to the establishment of the current loan and scholarship program in Canada. It was felt that education was a right and that society had to help young people enjoy that right. It was also felt that education was a social investment. Young people benefit from school training. Just take a look at the figures on job placement and unemployment;

they will confirm that. As well, all the personal development and culture gained by young people will prove very useful throughout their lives. But providing an education to young people is also a social investment. The richest and most advanced societies from a socio–economic point of view are those where young people get the best education.

The loan and scholarship program in Canada was based on these premises. The federal and provincial governments were guided by the following principle when they got involved in loans and scholarships: each young person has the right to an education and that education is a social investment. This is why, in Canada, we made sure to keep tuition fees rather low, compared to what they are in some other countries. It is a societal decision, a choice we made as a society because we believe that our young people should get an education for their own benefit and that of society as a whole.

Therefore, I cannot support the motion before us because the hidden agenda seems to be to have students pay their own way. It is particularly striking in the part of the motion that my colleague from the Liberal Party wants to delete, the part that talks about reducing the cost to taxpayers and charging accumulated interest. Basically, the motion put forward by the hon. member for Calgary Southwest arises from a concern to save money for taxpayers and make sure that the government withdraw as much as possible from education financing.

• (1755)

I think that there is a danger for students in there too and that is the danger of long–term indebtedness. Take for instance a student who has accumulated a debt of $15,000, $20,000 or $25,000 while in school. If this student has the misfortune to have trouble finding a job, if he has the misfortune to be poor, he is going to be in debt for a very long time. Perhaps 10 years, maybe 15 or even 20. He will not have much of a chance to get out of debt, especially if, as suggested by our colleague from the Reform Party, we charge him accumulated interest on his debt.

I think that the danger for our young people is long term indebtedness. This is also an indirect way of forcing us to go along with the underlying spirit of minister Axworthy's reform, i.e. shift the financial burden of education on to the students by reducing government assistance in the form of scholarships and asking students to go into debt to get an education.

I think that a proposal like this one could have a negative effect on motivation to pursue their education. My experience as a teacher tells me that positive reinforcement is important if we want our young people to be motivated to get higher education and I think that putting in place an adequate grants and loans scheme plays a major part in this. So, this is why I shall vote against the motion: because, in my opinion, it will institutionalize long term indebtedness for young people and it overlooks the need to maintain a scholarship system.

This motion also disregards the need to provide our young people with incentives to graduate as soon as possible, so as to keep government expenditures to a minimum. It is a matter of completing one's education in good time. If it takes three years to get a degree, take three years but not four, as some are tempted to do because they have to work their way through school.

To conclude, I think that what our young people need when they graduate is to find a good job they can live on and pay their school debts with, not to find themselves having to spend the next 10 to 15 years paying off debts.

[*English*]

Mr. McClelland: Madam Speaker, I rise on a point of order. I believe we have 10 minutes left to speak to the motion as 40 minutes were allotted.

Would it be in order for me to speak to the motion?

The Acting Speaker (Mrs. Maheu): Right now I am dealing with the amendment. The House has heard the terms of the amendment.

[*Translation*]

Mr. Laurin: Madam Speaker, can you tell us exactly what is going on with this amendment at this stage? Was it put to the House?

The Acting Speaker (Mrs. Maheu): The amendment I have here is admissible. I just read it and we will add it later on.

Mr. Laurin: Is the amendment likely to be put to the House?

The Acting Speaker (Mrs. Maheu): Yes.

• (1800)

[*English*]

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, let me begin by saying that as a government member I am somewhat perplexed by the motion put forward by the leader of the Reform Party.

A clear look at the changes and amendments we made in the Canada Student Financial Assistance Act will show that we included the concept and notion of an income contingent loan repayment system. I would point out to members of the Reform Party that subsection 15.0 of the Canada Student Financial Assistance Act currently provides for the repayment of student loans by borrowers on an income contingent basis.

Having said this, the government would like to take this opportunity to remind the House that thousands of students require financial assistance right now. A number of measures have been taken to help them in this regard.

It is important to remind the House that with the passage of the new Canada Student Financial Assistance Act in June last year, the government introduced important reforms to the Canada student loans program intended to support post–secondary education within a responsible fiscal framework. A number of these reforms are being phased in during the 1994–95 school year. The remainder will come into effect once the new act has been proclaimed.

I believe it is appropriate to remind the leader of the Reform Party and all hon. members about these measures which the government has taken to help students complete their education and become contributing members of Canadian society.

The loans limits had been frozen for 10 years, but they have now been increased. The weekly loan limit for full time students has moved from $105 to $165, an increase of approximately 57 per cent. The increase gives students up to $5,610 per school year, rather than $3,570. We also raised the ceilings on loans for part time students from $2,500 to $4,000. Part time students will no longer be required to repay the principal of their loans while they are studying. The changes give both young and mature students greater opportunities to fulfil their education.

Through consultations with the provinces and student groups, special opportunities grants for students with disabilities are being phased in. The government has allocated approximately $5 million in 1994–95 for these grants which will also be available next year.

The government is also working with the provinces to explore ways that would help ensure that students who must borrow the most are not burdened with debt loads above what they can repay. In so doing, the government wishes to provide an incentive for success.

As well, low income borrowers may be eligible for interest relief up to 18 months following completion of their studies. This applies to workers who are not earning enough money to meet their monthly student loan payments. Such a provision is currently restricted to borrowers who are unemployed or temporarily disabled. We are working with the provinces to apply the Canada student loans program with greater consistency and fairness.

Levels of assistance are being addressed according to the individual student's needs. Changes are easing the financial burden on low to middle income families whose children deserve every opportunity to complete their education. Specifically in this regard, the parental contribution table has been revised to ease the burden on families.

Over the next five years, students will benefit from loans and grants in excess of $6 billion. That is an increase of $2.5 billion over the previous five years. This additional investment will give more than 1.45 million students access to post–secondary education during this same period which is an increase of approximately 200,000 students compared to the last five years.

• (1805)

These new arrangements will reduce defaults and give students greater flexibility to repay and lower the costs for Canadian taxpayers. Lenders will now have more incentive to provide better services and offer income sensitive terms for repayment.

A more equitable system must go hand in hand with measures to reduce and control defaults. To that end, the program's eligibility criteria is being revised to emphasize results. Simply put, we will link financial assistance more closely to the student's successful completion of his or her studies. This will help to ensure the students who require financial assistance receive it.

Another aspect is we are collaborating with the provinces to develop consistent criteria for the educational institutions participating in the Canada student loans program. This too will ensure that aid is targeted wisely and costs are controlled.

The government is also carrying out discussions with lenders on new financing arrangements. The goal is to set terms that are realistic so borrowers will be able to repay their student loans relative to their income. This will improve the situation with respect to loan defaults, thus saving Canadians hard earned tax dollars.

One of the important things as members of Parliament is to relate the changes we make in this House to the community level, to the real lives and the real challenges that Canadians face. So that the people watching this debate have a clearer understanding of the type of impact it will have on their families, on the children and the students, I would like to give some brief illustrations of the type of positive changes we have introduced via the legislation cited earlier.

Let us take for example the case of Danielle who is attending the Technical University of Nova Scotia in Halifax. Danielle comes from a family of four whose annual income is $44,000. Danielle's family cannot afford to contribute to her higher education but she has managed to work during the summer and save approximately $1,800.

Her total assessed educational need is $7,400. Under the old method of assessing need, Danielle would qualify for only $2,600 in maximum aid. Under the new provision of the Canada student loans program, Danielle is now eligible for 60 per cent of her assessed need which is $4,440. That is an increase of $1,840. As for the remaining 40 per cent of assessed need, Danielle can apply to the province for additional assistance.

Or let us take the case of Greg, a student with a disability who is attending the University of Guelph. Greg comes from the city of Vaughan, Ontario where his family earns an annual income of $60,000. Greg's summer job enables him to put $2,700 toward his education and his parents are able to contribute $3,000. That gives him total financial resources of $5,700 and a total assessed need of $4,200.

Under the old system, Greg would qualify for a meagre $500 in aid, but under the new system at 60 per cent of assessed need he would qualify for a maximum of $2,520. However, Greg's disability means he is also eligible for a special opportunity grant of up to $3,000.

These are positive changes that I am sure will improve the quality of life for many students throughout Canada.

The Acting Speaker (Mrs. Maheu): It being 6.10 p.m. it is my duty to interrupt the proceedings and put all questions necessary to dispose of Motion M–291 now before the House.

Mr. McClelland: Madam Speaker, I rise on a point of order. I wonder if I might have the unanimous consent of the House to speak to the bill for just a few moments.

The Acting Speaker (Mrs. Maheu): The House has heard the request. Does the hon. member have unanimous consent?

Some hon. members: Agreed.

The Acting Speaker (Mrs. Maheu): The member has two minutes.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Thank you very much, Madam Speaker, and colleagues in the House. I would like to address two items concerning this motion. I think it is of significant importance to get them on the books.

The first item is on the amendment to the motion. While it appears fairly innocuous and since virtually everyone in the House is onside on this, it is rather unseemly that it be introduced so late. It does not bind the government anyway because it is just a motion.

The other point I would like to raise concerns the income contingent loan repayment. Information today in the *Globe and Mail* says that Alberta, Ontario and New Brunswick have decided they are not able to participate as it is presently written. Therefore, whatever we do with the income contingent loan repayment, which is a very good idea, the important element we must bear in mind is to be flexible.

As my colleagues know, we are going into a very difficult time financially. The future of our country depends on the ability of our young generation to be educated so they can use that education as a springboard for opportunity. Therefore, it is important that we look at the income contingent loan repayment in a very flexible, malleable manner if we have to change it. For instance interest may not be chargeable and that might be something we would look at.

I ask hon. colleagues to consider this.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The first question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the amendment will please say yea?

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to order made earlier today, the recorded division stands deferred until Tuesday, March 21, 1995 at 5.30 p.m.

SITTING SUSPENDED

The Acting Speaker (Mrs. Maheu): Pursuant to the order made earlier today, the sitting is suspended to the call of the Chair.

(The sitting of the House was suspended at 6.15 p.m.)

[*Translation*]

SITTING RESUMED

The House resumed at 9.14 p.m.

ROYAL ASSENT

The Acting Speaker (Mrs. Maheu): I have the honour to inform the House that a communication has been received as follows:

Rideau Hall Ottawa,

March 16, 1995

Madam Speaker,

I have the honour to inform you that the Hon. Beverley McLachlin, Puisne Judge of the Supreme Court of Canada, in her capacity as Deputy Governor General, will proceed to the Senate chamber today, the 16th day of March, 1995, at 9.10 p.m., for the purpose of giving Royal Assent to certain bills.

Yours sincerely,

Judith A. LaRocque
Secretary to the Governor General

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

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

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

• (2125)

And being returned:

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

Royal Assent

Bill C-46, an Act to establish the Department of Industry and to amend and repeal certain other Acts—Chapter 1.

Bill C-74, an Act respecting the supervision of longshoring and related operations at west coast ports—Chapter 2.

[*English*]

It being 9.30 p.m., pursuant to orders made earlier this day, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 9.30 p.m.)

HOUSE OF COMMONS

Friday, March 17, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—SOCIAL PROGRAMS

Mrs. Diane Ablonczy (Calgary North, Ref.) moved:

That, this House urge the government to recognize that the present social programs are failing and to investigate more secure options such as the Registered Personal Security Plan (RPSP), a system of personalized, tax-sheltered, RRSP-like savings accounts to which Canadians could contribute funds to be drawn during periods of unemployment, for personal upgrading/retraining and for retirement income.

She said: Mr. Speaker, It is a tremendous honour and privilege for me today to introduce to the House and to the Canadian public an innovative new concept which the Reform Party believes will help preserve long term personal security for Canadians.

With so much talk lately of cutbacks and change to social programs, citizens are naturally concerned that this will threaten the benefits they have been promised. Although the welfare state is crumbling, Reformers believe that we can work together to build a better and stronger way to provide for ourselves during times such as unemployment and retirement.

Today we place before the House a motion which addresses this vitally important issue of how best to preserve and protect the personal security of Canadians:

That, this House urge the government to recognize that the present social programs are failing and to investigate more secure options such as the Registered Personal Security Plan (RPSP), a system of personalized, tax-sheltered, RRSP-like savings accounts to which Canadians could contribute funds to be drawn during periods of unemployment, for personal upgrading/retraining and for retirement income.

The Reform Party unveiled its registered personal security plan proposal in our taxpayers budget which we released on February 21 of this year. This was as a direct result of a resolution passed by Reform members at our October 1994 assembly:

Resolved that the Reform Party investigate the feasibility of replacing the compulsory, government operated, privately funded taxpayer subsidized unemployment insurance program with a voluntary, personally financed, privately administered, government regulated registered unemployment savings plan.

Since then we have begun the process of discussion and consultation necessary to examine and test the idea both with experts and in the public arena. Through that process we will expand and refine our proposal and determine whether there is support for moving toward this entirely new way of meeting our personal security needs.

The first question Canadians watching this debate will ask is: what is an RPSP or registered personal security plan? Simply put, an RPSP gives us instead of government ownership and control of the moneys we pay into UI and CPP.

The second question Canadians might ask is: why do we need to change; what is the problem with the unemployment insurance program and the Canada pension plan we have now? I suspect that a lot of Canadians have already figured out the answer to this question.

They have seen the report that the CPP fund will run out of money in 20 years. They heard the finance minister in his budget promising a paper on the changes required in the public pension system to ensure its affordability. They know this means something is deeply wrong. It is the same sinking feeling they get when the doctor says: "We need to do a few more tests".

The finance minister also cut unemployment benefits. Of course this was all carefully worded by Liberal spin doctors. The cuts were styled as "unemployment insurance reform" which "will reduce the overall size of the unemployment insurance program by a minimum of 10 per cent".

In spite of this 10 per cent reduction in benefits, Canadian workers will still hand over the same amount of money to the government. The Liberal spin doctors dress this up by promising no increase in premium rates. One would hope not, considering the benefits are being cut.

It would have been more honest for the finance minister to come right out and say that benefits would be cut by 10 per cent or more. In spite of the coy wording, Canadians figured out that they are getting a smaller benefit for the same money. They

worry that it will shrink a lot more as the government sinks deeper into debt.

Over the past 30 years Canadians have been promised that government will meet the lion's share of their most important security needs, but there is increasing evidence that these promises cannot and will not be kept. Our compulsory contributions to government programs have not guaranteed us anything. We are living on borrowed money and mortgaging our children's future to pay for government programs that are simply not working. We would all like to hope that these problems will somehow disappear but in our hearts we know they will not.

• (1010)

Government pension plans as currently constituted do not enhance social security. They pour it down the drain. The government as a pension manager is like an alchemist who can only change gold into lead.

There is something else to consider. Even if we were not losing programs, there are harmful social consequences from encouraging people to depend on government for their personal security. Canadians have a proud tradition of self–reliance, caring for our families and helping those less fortunate.

Many of our citizens have a strong desire to take back control of their resources, their futures and their own welfare. They are willing to be self–reliant and to show compassion for the needy. All they ask is that they be able to keep more of what they earn and that government exercise careful stewardship of necessary tax dollars.

If we move from failing social programs to a new plan, what will be the benefit? The greatest benefit is that your money will go into your own registered personal security plan, RPSP. The money is yours. The interest or profit from the investment of that money is yours. If you die, your loved ones get it. It is your property and your ownership of it does not depend on the management skills or financial health of government.

CPP and UIC turn taxes that are too high into benefits that are too small. The RPSP turns taxes into productive investments and productive investments back into social security. In addition, there are tremendous financial advantages to this type of plan.

Assume that an employee contributes five per cent to an RPSP account monthly, matched by five per cent from his employer. This is about the same amount as the present combined CPP and UI contributions. The employee works from age 20 to age 65. Also assume a moderate investment return of 8 per cent interest compounded quarterly.

A worker earning only $1,000 per month or only $12,000 per year would retire on $3,432 per month before tax for the rest of his life and would leave an inheritance of $514,812 for his family or other beneficiaries. This is someone who earns only $1,000 per month. No doubt this will be astonishing to many people because they have not realized how much more they could receive under an RPSP fund than under the government CPP and UI programs.

Let us look at what an average Canadian wage earner could expect from an RPSP. Someone earning $30,000 or $2,500 per month would retire on $8,580 per month before tax and would leave an inheritance of $1,287,031. Nothing like getting a huge raise when you retire.

The Reform Party will be providing Canadians with tables of such returns for different levels of income which demonstrate why they deserve a whole new system to ensure personal security.

Canada lags behind other countries when it comes to moving toward more rewarding and effective measures in this all important area.

A system similar to the RPSP plan was successfully implemented in the United Kingdom in 1978. Current pensioners were made secure at existing levels of benefits, while future pensioners were given a chance to move into the more attractive retirement option.

Britain's long term pension liability was reduced by more than 30 per cent in the first three years alone of the opting out plan's operation. This guaranteed that future taxpayers will not be overburdened as British baby boomers began to retire.

• (1015)

Chile successfully privatized its pension system more than 15 years ago, in 1981. Like Canada, an increasing number of Chileans were retired compared to citizens still in the workforce. The level of seniors' benefits was exceeding the level of contributions and, like Canada's CPP, Chile's pension plan was a pay as you go scheme.

Because the scheme was broke, Chile moved to a mandatory savings plan requiring employees to place a minimum of 10 per cent of their taxable income into tax sheltered individual retirement accounts managed by competing private sector financial managers.

The results have been remarkable. Private savings in Chile rose from 2.8 per cent of GDP in 1980 to 14.3 per cent in 1991. Very importantly, they have provided investment capital which has been pivotal in the near–miraculous financial renewal of Chile's economy.

I believe that the experiences of the U.K. and Chile provide evidence that there would be tremendous advantages to our own country in looking for similar, innovative solutions to some of the worrisome uncertainties about our own personal security which we see looming on the horizon.

These are some further benefits we see to moving our UI and CPP contributions into our own personal RPSPs. First, working Canadians would be gradually relieved of the burden of paying

government pensions to those who are retired. As our population ages there will be far fewer working Canadians shouldering the cost of the benefit seniors have been promised.

In just 20 years the number of seniors will have increased by 40 per cent. At that time working Canadians will be trying to ensure their own personal security, pay staggering yearly interest rates on the debt we have run up, will still have our debt hanging around their necks like a millstone and, in addition, will be asked to pay our seniors' benefits since nothing has been saved up for that purpose.

Not only do we have an obligation to relive them of that burden to the greatest extent possible, we should ask ourselves whether it is fair that they should be asked to carry such an onerous and unfair load on our behalf. We would be wise to see this coming and fix the problem while we still can.

Second, RPSPs would provide Canadians with much greater retirement income than do the present plans. For example, a Canadian born in 1960 would receive only $2.60 for every dollar paid into CPP. For a Canadian born in 1980 the return drops dramatically to only 80 cents per dollar paid in, a dead loss.

By contrast, moneys invested in an RPSP at even 5 per cent interest would yield an average lifetime return of $3 for every dollar invested. CPP is misnamed. It is not a pension plan but a tax to redistribute income from workers to retirees. If it were a true pension plan, properly invested, it would not be in trouble, it would be rich.

Third, rolling UI premiums into RPSPs would provide substantially more security to the unemployed while also creating an incentive to remain employed. Canadians would have far greater control over their own unemployment income. They would have the security of knowing that their premiums are a long term, personal investment even if they are never unemployed.

The Canadian Institute of Actuaries has shown that after only eight years, UI contributions administered through an RPSP would provide the same level of benefits as the maximum under the current UI program. Of course in subsequent years the rate of growth in the RPSP rapidly out performs the return from premiums paid into the current UI program. In addition, workers would have the enormous satisfaction of control and responsibility for personal well–being.

Fourth, seniors could continue to earn income without having their retirement benefits clawed back as happens today with OAS.

Fifth, RPSPs would benefit the poor. Because UI and CPP contributions are taken off the top of their pay cheques low income Canadians do not have anything left to put into personal savings. Under the Reform RPSP, payroll deductions from CPP and UI would gradually be transformed into automatic payments into each individual's RPSP. This means that many working class Canadians would be able to own a personal security account for the first time ever.

• (1020)

Sixth, moving into RPSPs would generate an enormous pool of capital for productive investment in our country, resulting in a host of new employment opportunities. This would create far more jobs than government spending ever could. Although RPSP managers should be able to invest in government bonds at their own discretion, we would recommend that RPSP moneys should not be accessible by government.

Seventh, these personal security funds would be owned outright by Canadians as their personal property. They would not be vulnerable to government mismanagement or squandering. Prudent regulations would ensure sound investments managed by reputable firms. People do not want their retirement savings put into fur–bearing trout farms.

Eighth, RPSPs would allow and encourage Canadians to free themselves from disabling and uncertain dependence on government and government bureaucracy. A return to the ethic of self–reliance would enrich the spirit and vigour of citizens and the country as a whole.

We have begun the work of researching details which need to be addressed. We want to make the transition from the current unsustainable programs to personal RPSPs in a way which protects those already receiving benefits under the old plans. To achieve that we anticipate a long phase in period. We will decide whether any changes to the tax system are needed to move to RPSPs and we will demonstrate how a new direction in personal security will also benefit the poor in society.

Also to be explored is whether the RPSP should be expanded to provide a savings component to fund education and training and other security needs.

As the Reform Party continues to expand this new personal security concept, it will consult with a broad cross section of knowledgeable Canadians, including tax experts, actuaries, investment managers and technical researchers. It will also find a variety of ways to provide information to Canadians to encourage discussion and ensure an informed debate and decision at the end of the process.

This will include surveying citizens on what they need and want; holding open public meetings to present the concept and hear from Canadians; and creating a concrete proposal summarizing all the research and consultation, which Canadians will be able to judge.

In our view it is critical that we move now to carefully examine the issue of our personal security and options for the future. With every passing year the transition to a better and more workable solution becomes more difficult. This is because our population is aging rapidly. In addition, as our debt balloons and interest payments consume more and more of the national

wealth every year, we lose needed financial flexibility to protect Canadians who already have retired or are nearing retirement.

The World Bank has also pointed out the urgent need to face the imminent problems of our old age security system. Just a few months ago in its report "Averting the Old Age Crisis" the World Bank urged countries with rapidly aging populations and costly welfare state social programs to shift to greater self–reliance and individual initiatives to meet personal security needs.

It is abundantly clear that all Canadians and especially their elected leaders and representatives need to take thoughtful and vigorous action to protect our future personal security and they must do so now. We are dismayed to see the Liberal government bitterly divided on where to take the country when it comes to this important issue. It has utterly failed to bring forward promised proposals for change.

It is disturbingly clear that the people in charge have absolutely no vision for constructive change to a crumbling social system. Canadians desperately need such a vision. They need hope that there is a way to deal with the disaster they see looming ahead and which they know will rob them of the security and protection that every single individual needs and expects.

It is for this reason that the Reform Party is doing everything it can to fill that need for our citizens. This is why it has come forward to introduce a proposal which it believes will provide a positive and beneficial solution to give hope to Canadians on this critical issue.

The experience of other countries in the world, the recommendations of experts and analysts and just plain common sense all lead to the conclusion that a dollar left in the hands of a mother, a father, a family, a student, a senior, a caring and compassionate Canadian is more productive and will provide far greater personal security than a dollar left to be managed by the federal government. Let us get on with the job.

• (1025)

I appeal to Canadians everywhere to examine the emerging concept of the registered personal security plan. Work together with us to shape its direction and determine its details. Do everything you can to ensure that your elected representatives support more workable and effective ways for you to manage your hard earned dollars, to provide needed security for yourself and your family.

I say to Canadians, it is your money, it is your country, it is your future. Reformers believe that registered personal security plans ought to be a part of that future but the status quo will never change unless we work together to make it happen.

I ask for your support as we move to find better alternatives for Canadians in the 21st century.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I listened with attention to the proposals of the member across the way.

It seems to me it is the Reform Party that is divided all over the map. The leader of the Reform Party is in Washington trying to distance himself a little from the right wing agenda. Meanwhile, Reform minions in Ottawa are still talking about the old agenda prior to his departure to Washington where he had somewhat of a conversion although we are not holding our breath in that regard.

I want to ask a question of the member under whose name that motion is today about the registered personal security plans that that party is offering as an alternative to Canadian social programs.

Does she not think there is something deficient in social programs where we do not have the advantages of pooled risk that we have when society as a whole takes care of social programs?

We cannot put money away unless we have money to start with. Our RRSPs are a form of tax shelter. In order to have a tax shelter, we must have money to shelter away to start with.

For people who do not have that, does the hon. member feel they should be condemned to a life of poverty? Does she not think as I do that instead we should have programs to enable people to have better futures, to enable people regardless of their socioeconomic background to improve in life?

Not all of us were born with gold spoons in our mouths.

Mrs. Ablonczy: Mr. Speaker, it is pretty clear that the Liberals are extremely worried about the fact that our leader is making an extremely positive impact in the country to the south of us. They know that Canadians also are waking up to the common sense, workability and hope that the Reform program offers. I know they are worried. They are trying to tear that down every chance they get, but Canadians are not going to be fooled.

If there were such great advantages to the pooled risks that the member suggests are present in our present programs, why is the benefit of these programs continually being eroded? The government said barely a week ago that unemployment insurance benefits would be cut by 10 per cent or more. Where is the great advantage to the pooled risk there?

This member says: "What about people without no money to squirrel away?" We are talking about how to manage the money we do put away better, UI premiums and CPP premiums. Most Canadians pay those, especially at some point in their life. They

are being terribly mismanaged and wasted by the government programs that this member is trying to defend.

It is time Canadians woke up and started doing something better and safer with their money. We are proposing a plan to do that. We believe we will be supported by Canadians.

Ms. Judy Bethel (Edmonton East, Lib.): Mr. Speaker, at my town hall meetings in Edmonton East over the past year—we have had many of them—talking about these kinds of reforms, this idea has never come forward. I guess the reason that it did not is that many in society are unable to save.

• (1030)

I see some real discrepancies. For instance, only 14 per cent of tax filers with incomes between $10,000 and $20,000 can make RRSP contributions. How will these people be able to make the savings that are requested? There are other discrepancies as well: 70 per cent of those with incomes above $80,000 contribute to RRSPs.

How can people who earn lower incomes prepare for potential catastrophic events?

Mrs. Ablonczy: Mr. Speaker, I am not surprised the idea has never come forward in Liberal meetings. It takes leadership to provide new ideas and that is exactly what is missing from the government.

I wish the member had listened to my speech. It would have helped her a great deal. In the speech I noted that workers earning only $1,000 a month, which is the working poor, by investing their UI and CPP forced contributions in RPSPs, would retire under the plan with $3,432 per month before tax. That is what will benefit the poor. No wonder they have no ability to save now. They are forced to pay these moneys to the government, which are mismanaged and poured down the drain. They have nothing left to save.

Why not let them keep their money and save it for this kind of return? It would be a tremendous advantage to the working poor. I believe the member will see that and support it if she examines the proposal objectively.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I sat here in utter amazement as I listened to the hon. member for Glengarry—Prescott—Russell ask how people were going to squirrel money away when they do not have any money.

That Liberal member could have answered his own question. He knows very well that over 60 per cent of the income of average working middle class Canadians is being paid out in taxes of all forms. It was a predecessor Liberal government that started the deficit and debt spending which was carried on by the Tory Party. Now we have almost a $500 billion debt and we are servicing that debt with about a $45 billion interest payment. If the incompetence of the Liberal Party back in the mid-seventies had not started this downward slide, Canadian taxpayers would have money left in their paycheques to provide for their own personal security.

It goes back to what we have been saying. It is not fiscally responsible MPs like the Reformers that are the biggest threat to social programs. It is the incompetence of previous governments and the high taxes we pay in the country.

The Deputy Speaker: I am not sure those remarks were aimed at the member who was speaking.

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue, Lib.): Mr. Speaker, I am pleased to rise in the House to debate the hon. member's motion. The hon. member says our social security programs are failing. I fail to see how the hon. member arrived at that conclusion.

Before we began reviewing our social security system we heard from Canadians loud and clear. They wanted us to retain these programs, programs that are interwoven into the social fabric of Canada. That hardly suggests failure. It does not mean, however, that Canadians thought we should just leave them as is.

The government recognized social security programs have served us well for many years but that it was time for an overhaul. It was time to make them relative to the needs of the population of the 1990s. That is why we undertook, with the support of the majority of Canadians, the first step in the process of social security reform.

Hon. members are well aware that we carried out massive consultations across the country. The Minister of Human Resources Development and the Standing Committee on Human Resources Development listened to the views of Canadians from all walks of life. More than 600 groups expressed their opinions on social security reform.

• (1035)

To break it down briefly for hon. members, 20,000 Canadians took part in more than 200 town hall meetings held by MPs from all parties. More than 40,000 people completed and returned social security reform workbooks. We held a series of seminars where there was broad public discussion in 25 communities across the nation. The Minister of Human Resources Development has received more than 3,000 letters from citizens expressing their views on social security reform. Over 7,000 people have accessed the minister's Internet bulletin board on social security reform and more than 35,000 people have called the social security reform hotline to request information or material.

Hon. members will also recall that some of the hearings were rambunctious affairs, to say the least. While it is true that those who voice strong opinions may indicate disagreement with some program policy, one thing it certainly does not indicate is

complacency. Canadians care about their social security programs.

The government realizes it must move ahead with social security reform in a timely and orderly fashion. The budget confirms this point. We know from the excellent budget presented by the Minister of Finance, a budget that is getting higher ratings than "Hockey Night in Canada", that Canadians agree reform of our social security system is moving in the right direction.

We said from the beginning that meaningful social security reform could only take place in the context of a responsible fiscal framework. The budget has given us that framework. The budget clarifies that effective reform of our social security programs is absolutely essential, given that we must operate with limited financial resources. Let me put to rest the unfounded rumours that social security reform is dead. It is anything but dead.

Here is where we are at. We have completed the very successful consultation process. The government is now studying the excellent report of the standing committee. Now that the budget has given us the fiscal parameters within which to operate, the next phase is to carefully develop an overall design.

In other words, it is time for the architecture. The architecture comes before we start rebuilding the programs. It is a logical process. We need to develop a new structure before we abandon the old or the current one. A key part of the process will be consultations between the Minister of Human Resources Development and the provinces. These consultations will seek to establish national principles.

The government believes that Canadians are equal in every part of this great nation. We will strive to ensure that national principles apply to social security programs for all citizens.

Canadians told us that one of the key areas for reform was the unemployment insurance program. Using the input we have received we intend to develop proposals for the UI program that take into account the views of hardworking men and women.

We have already begun to act. Hon. members will recall that the government had enough foresight last year to make provisions that began January 1 of this year. If the government had not acted, UI premiums would have risen to $3.30. Instead they were reduced to $3. It is estimated that the payroll tax relief will create or preserve 40,000 jobs. We will be able to put additional savings from UI reform toward improved employment development services.

There is more good news on the reduction of UI premiums. The economy is performing extremely well and we have every reason to believe it will continue to do so. For that reason we expect to reduce premiums again, possibly next year but certainly by 1997. I want to stress, however, that the government has not yet determined the amount of any cut to the premium rate. The figures we read in the press are only forecasting estimates.

We plan to move ahead with UI reform this fall. As the budget clearly stated, we intend to have new UI legislation in effect no later than July 1, 1996. It is true that we are shooting for at least a 10 per cent target reduction in program expenditure. How fast we reach that target will depend upon the continued good health of the economy. It will depend upon program details that UI officials are currently working on.

While reform of the social security system is an ongoing process, we know it will function more effectively and with significantly reduced administrative costs as part of the new Canada social transfer. The popularity of the budget tells me that Canadians are very excited about the innovative possibilities and the flexibility that the provinces will have to address the needs of their particular residents under CST.

• (1040)

Again I stress national principles and objectives will be very much a part of the new Canada social transfer. The Minister of Human Resources Development will be inviting all provincial governments to work together on developing a set of shared principles and objectives to provide a solid framework for the new CST. This is one way that all governments can reaffirm their commitment to the social well–being of Canadians.

I think all hon. members will agree that the best form of social security is a well paying, rewarding job. Social security reform is very much a part of the government's job and growth agenda.

With that in mind the Minister of Human Resources Development is bringing together the current programs that support Canadians in preparing for and attaining employment. They will be consolidated into a new human resources investment fund. The fund will pool resources from existing programs to develop a more coherent approach, establish priorities and make use of the best tools available to ensure Canadian workers find stable employment.

The human resources investment fund will take a hard look at the role of the federal government. We will ask ourselves what we should be doing and determine the best way to eliminate overlap and duplication. Streamlining and consolidation will mean some savings in the coming two fiscal years. The result will be that federal employment related programs will make the most efficient use of available resources.

The new programming will recognize clear and distinct roles for the federal government and the provinces. We will co–operate with the provinces to deliver services effectively and at the lowest cost possible to Canadian taxpayers. Together we can

ensure that Canadians are capable of functioning at a high level in the rapidly expanding global economy.

We all know that today's motion is based on the ill conceived quasi–budget of the Reform Party and that document in turn owed more than a little to the Reform minority report on social security reform which contained proposals that the member proposing today's motion conceded were not thought through very well before they were rushed into print.

I am most concerned by the Reform's so–called proposals. After examining them it is clear to me that these are old knee–jerk ideas that would move us backward, not forward. I cannot see how Reform's proposals would help Canadians find meaningful employment and reduce social ills such as child poverty.

The Reform Party has come up with the catchy title "Taxpayers' Budget". However when Canadian taxpayers get a close look at it they will see that if we adopted it taxpayers are the ones who would be snagged.

First let us look at the subject of today's motion, the registered personal security plan or RPSP. As I understand it, Reform wants to replace UI, OAS, CPP and some health, education and training programs with an individually based savings plan. This means that when sickness or unemployment strike or when they take their retirement, Canadians will be expected to rely on their own means and the risk pooling features of our current social programs would disappear.

Obviously lower income Canadians would be much more adversely affected by the proposal. I can see nothing in it except for the very well off who would have yet another instrument for feathering their nest egg.

Next let us take Reform's proposals for UI. The party suggests cutting $3.4 billion from the UI program. That is easy to do on paper but the result in real terms would phase out maternity, parental and sickness benefits as well as the fishermen's program. The measure alone would take away maternity benefits from more than 160,000 new mothers, sickness benefits from 150,000 workers who are temporarily unemployed, and badly needed benefits for 30,000 fishermen.

Who will shoulder the burden to help these individuals? Removing regional benefits would affect 1.3 million unemployed workers, which is more than 50 per cent of UI claimants. The Reform Party would slash income support by $4.5 billion. This blanket insensitive approach would drain billions out of the provincial economies—hardly what I would call a responsible move.

This is not what Canadians want. As I have already outlined the government intends to revitalize its UI program. We need to look carefully at how and why people use unemployment insurance and then make adjustments accordingly. We will not wipe out key social benefits like those for maternity leave.

• (1045)

The Reform Party tries to put forward a social conscience with its principle of equality contributions. Its taxpayers' budget states the burden of reduction must fall least heavily on the most vulnerable members of society.

There is no doubt that all hon. members share those sentiments. The trouble is Reform's proposals would have exactly the opposite effect. Instead of helping those most in need, the taxpayers' budget would cut seniors' pensions by $3 billion. How will this measure help vulnerable seniors meet the cost of living?

Reform also proposes that the government eliminate all regional differentiation. How will this help the poorest regions of the country? It also suggests cutting aboriginal programs by 24 per cent. Someone will have to explain to me how this measure will help our aboriginal brothers and sisters who are quite possibly the neediest group in Canada.

The Reform Party's budget suggests cutting the Canada assistance plan transfer payments by 34 per cent and equalization payments by $3 billion, a 35 per cent cut. If the government did that I acknowledge it would certainly lessen the burden on federal coffers. Unfortunately it would devastate the poorest regions of the country. It would place the burden of deficit reduction on the most vulnerable members of society. It would contradict Reform's stated philosophy.

Cuts like these would not renew our social security system. They would outright destroy it. Reform's approach to deficit reduction is simply reckless. It is easy to be reckless when one is not in the driver's seat.

What about the proposal to slash $3 billion from seniors' pensions? The Reform does not provide any details on this proposal maybe because if it had done so it would have had to tell elderly Canadians that more than half of them would see their benefits cut and low income seniors would be among the losers.

The government's approach is to review the needs of seniors into the next century and determine how best to meet those needs. We are not saying there should be no changes. We have never said that. However, a responsible government examines the repercussions of changes before taking action, and that is what we are doing.

Reform wants to replace old age security and the Canada pension plan with an RRSP and registered personal security plan system. The concept has already been tried in the United States. It is called a personal bank account. It actually works very well provided one is fortunate enough to be wealthy. Those less fortunate are out in the cold.

The Liberal Party's policy is for a sound and efficient income system that provides a balance between public pensions and private arrangements. In other words, the government's philoso-

phy on retirement combines realism with compassion, something the Reform Party should thing about.

The Reform Party should also think its proposals through before presenting them and should come clean on how much impact it would have on the lives of Canadians and the social fabric of this great nation.

The government certainly welcomes constructive suggestions from hon. members on the opposite side of the House. The proposals we see in the Reform Party's taxpayers' budget are so poorly thought out that it simply does not give us anything valid to work with.

The popularity of the budget by the Minister of Finance speaks for itself. Canadians recognize that in order to retain strong, viable social programs we have to find the financial resources to fund them. That is why Canadians support the direction the government is taking. With the Canada social transfer we are entering a new era of social policy that will streamline our social security system and bring us into the 21st century.

As a nation that enjoys one of the highest standards of living, there is no doubt in my mind Canadians reject the simplistic notion embodied in today's motion. They know the government is committed to the renewal of Canada's great legacy of social programs. I am sure they share my belief that the Reform Party is in no position to enact the motion before us today.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I listened with interest to this speech. There were a couple of anomalies within it which we should think about.

• (1050)

She indicated this was an old thinking, knee–jerk reaction. To me that is an oxymoron. Knee–jerk is something not thought of before.

The principles we are espousing are based on both experience and thinking. We have found the country did best when there was the least amount of government, when there was less intrusion. To now say we should once again use those principles of self–sufficiency and encourage people to look after themselves and making it possible for them to do that is not knee–jerk. That is good, solid thinking.

The member said Canadians reject this. She said that several times. That is not my experience. I have shared this concept with a number of people for over a year. I am pleased the ideas we had are now coming forward in the House. I have yet to hear a single person indicate anything but enthusiasm for this concept.

With respect to the reduction of old age security benefits, the member made mention that Reform is saying we are going to cut back. I want to make it very clear, I want everyone to know we are forced into this, not by what Reform is doing but what governments over the last 30 years have done. We have run out of money and the Reform policy is to target the remaining money, as little as there is, to those who have true need.

When we are talking about reducing old age security, we are talking about reducing to those who do not need it because they have an income over the national average.

We would be most honest with Canadians if we were to say the Canada pension plan is at risk because we will not have the money. That is the result of Liberal and Conservatives governments. That has to come to an end.

Ms. Whelan: Mr. Speaker, the hon. member has not heard the Prime Minister mention on several occasions that the taxpayers' budget proposed by the Reform Party has forgotten to take into account that our population is aging. The costs of old age security for our seniors will rise every year. It is not in the Reform budget. Maybe the member should take a look at that part and think it through.

The Reform Party constantly claims over and over again that it represents the people, the interests of Canadians and listens to polls and to to Canadians. When 80 per cent of Canadians respond telling us they support public programs for elderly care, does that not send a message to the Reform Party? It should send a message to a party that claims to represent the people. When it hears that 77 per cent support public programs for child care and other programs, does that not send a message? I would think it sends a message.

I would ask the Reform Party to take a look at our budget. Our budget talks about the problems we are going to face. It talks about the fact that we have to deal with old age security and all of our social programs, especially relating to our seniors. The budget has the foresight to deal with that.

Perhaps the Reform Party should actually read the budget.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, our budget does take into account the fact that the population is aging and that our social programs are unsustainable.

The hon. member should realize that in a few short years we will be paying up to 15 per cent of our income into the pension fund alone to meet the expectations of those retiring in a short time.

The member said social security programs are anything but dead. The studies by the Liberal government show the pension plan is in big trouble. There is less than two years of funds in the pension fund for payouts. The liability in this fund is about as great as our national debt, at over $500 billion. That is the liability in this fund.

• (1055)

This does not give Canadians security. It should be immediately obvious to everyone in the House when you have that kind of liability it is not sustainable, the opposite of security.

If individuals had been contributing into a self-managed fund, they would now have more security. The proposal we are putting forward gives the poor people a lot more security than they presently have with the mismanaged pension fund run by the government.

Does the hon. member feel it is worth exploring a means by which we could make a transition from the present unsustainable system to a more secure system that gives individuals more control over their future? Does she not think this concept is worth exploring?

Ms. Whelan: Mr. Speaker, I guess the hon. member was not listening. In the budget the finance minister talked about the fact that we need to review our programs for our seniors.

We have a system in Canada developed by Liberals, a system that met the needs of the 1960s and the 1970s when it was introduced; a system we are trying to up date that will meet the needs of the 1990s and the 21st Century. That is what this Liberal government does and that is what this Liberal government is about. That is what we will do.

The hon. member is not aware, obviously, how programs work in other countries. I am very familiar with how they work. I have an aunt who lives in the United States. I know what happens when you become a senior citizen. I know what happens to programs you have paid into for four years and benefits that are cut off over time. I understand how that system works because I live with that system every day due to a family member who has an illness.

I ask the Reform Party to do a little research into its suggestions before it puts them forward and that it realize what the Liberal government is trying to do.

We recognize things have to change. We started the social security reform and we started the human resources consultations over a year ago. Members on that side took part in them. We are not afraid of that. We are aware of that. We mentioned in the red book that we would deal with the systems and that we would make changes and that is what we are going to do.

The Speaker: It being almost 11 a.m. we will now go to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

JEREMY FREIBURGER

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, earlier this week a young man in my riding, while driving at night, was in collision with a trailer portion of a tractor trailer which had turned across the highway. He had no chance to apply the brakes and hit the trailer squarely in front of the rear wheels. The crash impact squashed the roof of the car flat and it took a crane to free it from underneath the trailer.

Firemen who arrived at the scene did not believe that anyone could have survived. Inside the wreckage, jammed beneath an air bag and squeezed on all sides by twisted metal, 18 year old Jeremy Freiburger still lived. Not only did he still live, but when at last he was cut out of the vehicle by the jaws of life, he was uninjured, save for a few cuts and bruises.

His parents were ecstatic with joy. Let this story remind us that life is precious and miracles do happen.

* * *

[*Translation*]

ST. PATRICK'S DAY

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, today, March 17, is St. Patrick's Day and we want to share the pride of those hundreds of thousands of Canadians and Quebecers of Irish descent whose ancestors left their country in often difficult circumstances to find a new home among us.

With the intermingling of people over time, many of us now have friends and relatives of Irish origin. Their presence has enriched our lives and our societies.

We salute the invaluable contribution of the Ryans, Lanigans, Regans, O'Reillys, Johnsons, Kirkpatricks, Rowans and many others to the development of Quebec and Canada.

Happy St. Patrick's Day everybody!

* * *

[*English*]

MULTICULTURALISM

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, in British Columbia we have just completed multicultural week, a week of immersion into the understanding of other cultures, a week of sharing with people of all backgrounds.

Next week on March 21, British Columbia and the rest of Canada will celebrate International Day for the Elimination of Racial Discrimination. On March 21, 1966 in South Africa, a group of people holding a peaceful march were shot at and killed.

[*Translation*]

March 21 has therefore been designated by the United Nations as International Day for the Elimination of Racial Discrimination. Next week, all Canadians will celebrate that day with special ceremonies, and people of all cultures will meet again to learn from one another.

Today, despite the visibility of human rights at the international level, too many tragedies occur throughout the world and discrimination continues to exist.

[*English*]

Let us hope that events like International Day for the Elimination of Racial Discrimination and Multicultural Week will help with the respect of human rights all over the world and bring peace.

* * *

SHIPPING INDUSTRY

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the type of labour management crisis crippling Canada's shipping industry happens all too frequently. This has to be prevented in the future.

This objective can be achieved without labour legislation. The government only has to declare existing railbeds a common carrier accessible to any railroad company. As a result, shippers can switch from the use of struck railroads to others that are still operating.

In addition, the government should remove all restrictions on the use of shipping routes. As a result, if the docks in one city are tied up in a labour dispute, docks in other cities can be used.

Under these conditions, labour disputes in the shipping industry will become extremely rare. The employers and workers know well what the market will bear. Industries hitherto protected from competition by government granted monopolies and regulation are exposed to the healthy winds of competition. They can no longer hold the Canadian public ransom.

I personally urge the Minister of Transport to propose such legislation and deregulation. It can be enacted quickly.

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SMALL BUSINESS

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I rise in the House today to congratulate the finance minister for a budget that keeps Canadian small businesses competitive.

In my riding of Parry Sound—Muskoka as in the rest of the country, small business ventures are often the key to the economy. This budget encourages small business growth. It encourages job creation. It encourages prosperity.

The recent budget is but one part of our government's strategy of jobs and growth. It is already paying dividends. Let us look at some examples.

First, the value of manufacturing shipments was $33.1 billion in January, up 25 per cent in just one year. Second, Statistics Canada's index of leading economic indicators, a measure of future economic growth, was up .5 per cent in February. Third, the manufacturing sector in February created over 53,000 new jobs.

We have, as a government, been successful in creating a climate in which small business can create jobs for Canadians. The minister's budget will accelerate—

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[*Translation*]

AIR CANADA

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, a while ago, Air Canada put ads in major Canadian newspapers, inviting anyone interested in a temporary or permanent position in Toronto to apply.

The ad said that ideally candidates should speak English and French as well as another language such as Japanese, Korean and Mandarin, but that Air Canada would consider applications from individuals who spoke English and one of those other languages.

Bloc members are appalled at Air Canada's move, relegating the French language to a position of secondary importance, as in fact the knowledge of English is the only qualification required for the job.

Let us not forget that, despite privatization, Air Canada remains subject to the Official Languages Act and, therefore, we demand that the provision of the act guaranteeing the respect of the French language be enforced.

* * *

[*English*]

GUN CONTROL

Mr. Brent St. Denis (Algoma, Lib.): Mr. Speaker, as a member of Parliament for a rural riding in northern Ontario, I am well aware of the great concern being expressed by the legal gun owning community in regions all across Canada.

I have met with over 1,000 constituents on this matter and have received an even greater number of letters and phone calls. We can only conclude from this that we must find the proper balance between rural and urban needs on the issue of crime control through gun control.

I am calling on my colleagues who represent urban ridings to hear the message from rural Canada that the law–abiding gun owning community not be the victims under any new gun laws. Rather, let us become partners in the fight against crime and continue to create together the peaceful and secure country we all want.

I will continue to bring forward the concerns of my constituents. They deserve to be heard.

• (1105)

I trust we can all work together to produce common sense firearms measures so that just maybe we can put this issue to rest once and for all. That is the goal I have set for myself as Algoma's MP.

GUN REGISTRY SYSTEM

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, this statement was inspired by Professor Taylor Buckner from Concordia University in his letter to the *Globe and Mail* on January 30.

In 1994 the RCMP reported there were 151 incidents of police being accused of misusing confidential data. Further, the RCMP were unable to stop this misuse. This is the same database in which the justice minister proposes to list all firearms and their owners.

The RCMP admission proves that the gun registry system could be illegally accessed by criminals to quickly identify those homes with guns and those without. If they want to steal guns they will break into a gun owner's home while the owner is away. If they want to steal valuables or just trash a house they will break into the unarmed homes anytime they want.

Gun control makes crime easier for criminals, not harder. Split Bill C–68 and give—

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YUDE HENTELEFF

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, I would like to recognize in the House today Mr. Yude Henteleff of Winnipeg who has been selected to receive a citation for citizenship.

Mr. Henteleff's commitment to improving the lives of special needs individuals has significantly enhanced the lives of many in Manitoba.

As past president of the Learning Disabilities Association of Canada, Mr. Henteleff has worked assiduously to ensure that children and adults with disabilities receive the services they require.

Mr. Henteleff's efforts in championing the human rights of the mentally handicapped and promoting the integration of disabled persons in our society are truly admirable and make him more than deserving of the citation for citizenship.

On behalf of all my colleagues, I congratulate this man who is making society better.

[*Translation*]

Hear, hear, Mr. Henteleff. Well done.

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[*English*]

ST. PATRICK'S DAY

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, today is March 17, St. Patrick's Day. There are two types of people in the world: those who are Irish and those who wish they were.

St. Patrick was famous for driving the snakes out of Ireland. Prime Minister O'Chrétien is famous for driving the Tories out of Ottawa.

Happy St. Patrick's Day from the Irish.

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[*Translation*]

OFFICIAL RECORD

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, in his ruling concerning the question of privilege raised by the Leader of the Official Opposition, the Speaker of the House of Commons mentioned that he had found troubling anomalies in the transcription of the deputy prime minister's comments.

It is unacceptable for members of this House, and especially the deputy prime minister, to tamper with the transcription of our deliberations in order to change the meaning of their public statements.

This practice is all the more reprehensible—

The Deputy Speaker: Members are not permitted to comment on the Speaker's rulings.

* * *

[*English*]

THE LATE JILL BROWN

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, today our community mourns the death of a courageous woman.

Jill Brown was honoured in this city as a businesswoman, a fundraiser and contributor to numerous charities, as a city councillor, and as a wife and mother.

Yesterday Jill Brown ended her life as she lived it: spirited, defiant, taking charge, refusing to let the leukaemia that had devastated her for over a year decide the time of her death.

I shared with Jill the privilege of representing the people of Britannia ward on city council. She came to know, love and respect them. They in turn loved and respected her.

I convey to her family, her husband Brian, her children, Shannon, Michael and Chris, our condolences.

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PRIVATE UTILITIES INCOME TAX TRANSFER

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, the Minister of Natural Resources was quoted as saying that Ottawa may not be able to tax crown owned utilities, but she would like to hear ideas on how to put them on level ground with investor owned electricity and natural gas utilities.

• (1110)

I know for a fact that a coalition of privately owned utility companies from across Canada sent this minister a copy of their document entitled: "Equitable Tax Treatment for Utilities in Canada". It represents a fair alternative that would increase the utility costs by less than 1 per cent for all Canadians instead of a 7.5 per cent increase for Albertans and Nova Scotians as proposed in the budget.

If the minister really is serious about fairness she would seriously consider their ideas before she cuts the private utilities income tax transfer. She would also advise the Minister of Finance to commit to doing this when he meets with Calgary's mayor today.

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CANADIAN FEDERATION OF STUDENTS

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, as the member for Ottawa—Vanier I have the honour of representing the University of Ottawa in this House. The students' federation of the university is about to hold a referendum on whether or not the students wish their campus to maintain its membership in the Canadian Federation of Students.

In its eagerness to have the university remain a member, the CFS may have given the students less than completely accurate information to encourage them to vote yes in the referendum. The federation has claimed that it, the CFS, has forced the Liberal government to stop the social security review.

The students of the University of Ottawa and students across the country should know that the social security review is moving forward. That means the government is still committed to finding better ways of working, learning and providing security for those in need of it.

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MOCHOVCE NUCLEAR POWER PLANT

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, the European Bank of Reconstruction and Development is about to make a crucial decision about the financing of the Mochovce nuclear power plant in Slovakia.

Expert sources indicate this nuclear reactor is neither environmentally nor economically viable. Along with its technical flaws and overall concern for safety, the energy output of this nuclear reactor is not necessary to either the current or future needs of the people of Slovakia.

The European parliament, many countries, and all major environmental groups in Europe, the United States and Canada are calling for a delay or cancellation of this nuclear project. Furthermore, more than half the Slovakian population oppose the construction of nuclear power plants.

For Canada to vote in favour of this project would not only waste Canadian tax dollars in a very dangerous energy megaproject but would also subject the people of Slovakia to a huge debt load.

I urge the Government of Canada to vote against this proposal and not waste Canadian tax dollars.

* * *

AGRICULTURE

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, yesterday in the House I asked for clarification from the agriculture minister on exactly who the Crow payment is intended to benefit: landowners or actual farmers. I did not receive an answer to this very basic question. This is extremely frustrating since western Canadian farmers have a number of other questions they would like this government to answer as well.

For example, is the purpose of the $1.6 billion payout to compensate for losses in land value, or is it meant to be a transition fund for farmers who have lost the Crow benefit but are still shipping grain? What accommodations have been made within the phase out plan for renters and lessors? How will the money be paid to farmers? When can farmers expect to receive the money? Specifically, what measures will be taken to allow the system to become more efficient and to give farmers more flexibility in marketing?

The government must not keep western Canadian farmers in the dark on these issues any longer. Farmers must be able to plan with certainty and recoup some of the losses which will result from these cuts.

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FISHERIES

Hon. Roger Simmons (Burin—St. George's, Lib.): Mr. Speaker, the turbot is a miserable looking little fish. Who in his or her right mind would have ever thought it could have rallied an entire nation and why? Because the latest pillaging of fish stocks by Spanish trawlers has become the straw that has broken the camel's back.

Enough is enough, say Canadians. Canadians right across this country now realize that Newfoundland and Atlantic fishermen and plant workers are the unwitting victims here, not the lazy hangashores they have been portrayed as over the years.

The government of this country has finally done what any government worth its salt should have done years ago when I first raised the matter seven years ago in this House. For that, I thank the Prime Minister for keeping his election promise on this issue. I congratulate my friend and colleague, the Minister of Fisheries and Oceans, for his handling of the issue.

PEACEKEEPERS

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I rise today to pay tribute to Canada's peacekeepers.

Since 1956 Canada has taken part in almost every United Nations peacekeeping operation. With good reason Canadians are proud of our participation in these forces. Since 1947 more than 90,000 Canadians have participated in peacekeeping missions.

• (1115)

As I speak more than 3,000 Canadians are currently deployed somewhere in the world as part of peacekeeping operations. These proud soldiers made up of part time reservists and full time regulars have given Canada a proud name in this sphere.

In the former Yugoslavia alone more than 2,000 Canadians are working in the most strenuous situations and are performing admirably under the strain.

Over the period of three years approximately 300 of the soldiers serving have been reservists. It is Canada's reserves that are demonstrating the ultimate commitment in the battles of patriotism and duty.

I salute the Canadians currently in peacekeeping operations. Canada's great traditions of patience, forbearance and commitment are safe in their hands.

ORAL QUESTION PERIOD

[*Translation*]

CANADIAN ADVISORY COUNCIL ON THE STATUS OF WOMEN

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, my question is directed to the government. I do not know to whom it is directed, but someone will surely rise to give an answer.

Yesterday, the Deputy Prime Minister said that to avoid patronage and prevent order in council appointments of friends of the government, the government decided to abolish the Canadian Advisory Council on the Status of Women. That is what she said, although it is rather surprising.

Considering the important role played by the Advisory Council on the Status of Women, would the Deputy Prime Minister or another member of the government not agree that it was not absolutely unnecessary to abolish the council in order to avoid partisan order in council appointments and that the government should simply have opted for another appointment process that would guarantee the arm's length position of the members?

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, as part of our effort to have a government that is efficient and effective and very conscious of expense, the government has decided to merge these various programs under the very capable leadership of the Secretary of State for the Status of Women. I think this will turn out to be a very effective use of the necessary resources.

The hon. member is always talking about the need to avoid overlapping and duplication. I am surprised he is not praising this initiative because it is exactly along the lines he is calling for, the avoiding of overlapping and duplication.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I am sure you understand why I will have to repeat my question. As for eliminating duplication, there are whole federal departments we could get rid of, not an advisory council that serves the status of women, but whole departments that duplicate the work done by provincial departments. We have a few suggestions for the government if it needs some help in this area.

Are we to infer from what the Deputy Prime Minister said that the committee appointed by the government to review the CRTC's decision on direct tv broadcasting, consisting of Gordon Ritchie, Roger Tassé and Robert Rabinovitch, is a committee appointed by order in council, thus involving friends of the government who are responsible for reaching a decision where several billion dollars are at stake, a decision that concerns all Canadians?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the hon. member wants to be logical, but where is the logic in his questions when he complains about our merging women's programs and at the same time criticizes duplication and overlap?

Once again, if the hon. member wants to be logical, I would ask him to support our decision, so that women receive the kind of support they need.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, let us get this straight. We referred to a statement by the Deputy Prime Minister in which she said that the Advisory Council on the Status of Women was abolished because it was a hotbed of patronage, because these were order in council appointments, and that the best way to avoid that was to abolish the council. That is what we are talking about.

That being said, since, as the Deputy Prime Minister admitted, order in council appointments are partisan appointments and cabinet still insists on appointing the government's ethics counsellor, would the government not agree that it should change its approach, act on the opposition's request and have the

ethics counsellor appointed by the House of Commons instead of by order in council?

• (1120)

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the hon. member has been opposition House leader for some time now. He should know that is not a supplementary question.

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[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, my question is for the Minister of Finance. Again yesterday, the Minister of Canadian Heritage stated the following: "Radio-Canada, my source, confirmed that no cuts were announced. I assume this means no staff cuts or layoffs have been decided". However, all the papers announced yesterday that 750 positions would be abolished at Radio-Canada as the result of the cuts imposed by the government.

Can the Minister of Finance confirm that Radio-Canada will face cuts of $350 million over three years as Vice-President Michèle Fortin reaffirmed on Monday?

Ms. Albina Guarnieri (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Mr. Speaker, we know that Radio-Canada's management will be well able to meet this challenge. No one here underestimates the challenges facing the CBC. In the end, Canadians will continue to enjoy the high quality broadcasting the CBC is famous for.

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, I would like to ask a supplementary question.

Would the Minister of Finance confirm that the government had told the CBC that the cuts for the three coming years would be $44 million, $96 million and $165 million, as Mr. Manera informed us when he resigned? The Minister of Canadian Heritage had refused to confirm those cuts.

[*English*]

Ms. Albina Guarnieri (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Mr. Speaker, the hon. member likes to speculate, and they do not make very good gamblers.

Currently it is up to the CBC to determine the best way to administer its limited resources within the financial realities that exist.

CANADA POST

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, we have trouble right here in Ottawa city; that starts with *t* and it rhymes with *e* and that spells ethics.

All this week the Reform Party has been asking the Prime Minister to direct the ethics counsellor to investigate the Canada Post building contract and the influence of Jose Perez and political officials in the tendering process. The Prime Minister has refused our request on the grounds that these events took place under a previous administration.

How would an investigation of the postal building contract differ from the investigation of the Pearson airport contract which also took place under a previous administration?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the Prime Minister pointed out that the ethics counsellor had been appointed to review complaints about ministers and other order in council appointees and possibly to look into the matter of lobbyists. The matter raised by the hon. member is not something for which the position of ethics counsellor has been created.

I want to say to the hon. member that certainly, as the Prime Minister said, it was something that took place under a previous government. The Minister of Public Works who reports to Parliament for Canada Post is reviewing the situation. I am sure he will have more to say about it when he completes his review.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, irrespective of the minister's answer, a number of serious issues need to be addressed.

Developers need to be assured that Mr. Perez had no unfair advantage. Taxpayers need to be assured that their money is being spent correctly and wisely. Most of all, Canadians need to be assured that either the politicians and bureaucrats did nothing wrong, or if they did do something wrong that they will be exposed.

I have a supplementary question. Will the government's presumed commitment to restoring integrity in the political institutions allow the ethics commissioner to investigate these issues?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the estimates of Canada Post have been tabled before the House and referred to the appropriate parliamentary committee.

I suggest my hon. friend consider that the matter could well be raised when the Canada Post estimates are studied by the appropriate parliamentary committee. If my hon. friend is concerned about a stronger role for committees, he might examine this possibility.

• (1125)

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, integrity is missing; the perception of it is missing. This is not the first time the Reform Party has asked for the ethics counsellor to investigate issues on behalf of Canadians. Every time we get the answer no. It seems the Prime Minister is only willing to unleash his ethics lap dog when it is suitable to the government.

If the government is unwilling to let the ethics counsellor investigate in matters of public contracts, why should Canadians have any trust at all in the ethics counsellor of the lobbyists act?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I think Canadians could ask why they should have any confidence in the kinds of questions asked by the Reform member when the facts are that the ethics counsellor has been appointed to look into matters involving ministers and order in council appointees, and when the Reform Party is not willing to follow up my suggestion that the matter could be explored when Canada Post estimates are being studied by the appropriate parliamentary committee.

Where is their commitment to an effective operation of the House of Commons and its committees?

* * *

[*Translation*]

FUNDING FOR CDECS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, my question is for the Minister of Finance.

The Corporations de développement économique et communautaire de Montréal, or CDECs, are funded by Ottawa, Quebec and municipal governments. While the provincial and municipal governments have committed themselves to funding the corporations for the next three years, the Minister of Human Resources Development will only guarantee funding for six months. After this date, the department will no longer be responsible for funding CDECs.

My question is the following: Are we to understand that, after hitting the economy of Montreal so hard in the last budget, the federal government will also refuse to commit to funding these frontline economic development organizations for more than six months?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I believe that, judging from how much the federal government has contributed to various initiatives in Montreal, it is obvious that it plays a very, very important role and we intend to continue to do so.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, given the critical role that these development corporations play in job creation, will the minister responsible for development in Quebec put an end right now to the uncertainty and reassure the CDECs that the federal government will sign the tripartite agreement already reached between the three parties, and end the uncertainty and sign the agreement?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, we indicated in our budget that we would review various programs to make them more productive.

We also indicated that we would apply federalism by the book, and spend our money in areas that fall squarely under the federal government's jurisdiction. Furthermore, we have created tens of thousands of jobs in Montreal and Quebec over the past year. We will continue to support policies which brought us such success in Quebec, and in the Montreal region in particular.

* * *

[*English*]

CP RAIL

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I would like to use an urgent situation in my own riding to outline the impact of the CP Rail strike in many ridings both urban and rural across the country.

Kootenay West—Revelstoke has a pulp mill and a smelter both on the verge of complete shutdown because of the week old rail strike. This will take $2.6 million a week out of an area of less than 20,000 people. Not only is this financially devastating; it is totally unnecessary.

My question is for the Minister of Labour. How much economic pain and suffering has to be felt by innocent third parties, everyone from factory workers to prairie farmers, before the government takes its inevitable course of action?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I understand that discussions are under way between the parties. I also understand the railway is operating.

The hon. member has quite properly raised a very serious situation. This is a message to the parties that they should get down to business and reach an agreement.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, 7,000 cargo containers are presently trapped at the port of Montreal at a cost of more that $2 million a day.

• (1130)

Once again business and individuals across the country are being hurt by this situation, some nearly to the point of bankruptcy. Ten days have now passed and the government has done nothing, although it only took them only one day in Vancouver.

Will the Minister of Labour who is an MP from Montreal take action to end this senseless pain and economic hardship?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the Minister of Labour, on behalf of the government, is following the situation very closely.

The hon. member has quite properly raised a serious situation. It is an indication why the parties—I understand they have informal discussions under way—should turn them into full collective bargaining and reach an agreement themselves as quickly as possible, which is what they have done on every occasion since 1975.

* * *

[*Translation*]

IMMIGRATION AND REFUGEE BOARD

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, my question is for the Minister of Citizenship and Immigration, but I guess someone else will answer it. The Minister of Citizenship and Immigration recently appointed Mr. Jean-Guy Fleury as executive director of the Immigration and Refugee Board. In a release confirming that appointment, the minister failed to indicate that, at one time, Mr. Fleury worked for the Canadian Security Intelligence Service.

How does the minister explain the fact that no mention whatsoever was made of Mr. Fleury's managing responsibilities within CSIS when he was appointed to the Immigration and Refugee Board?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, Mr. Fleury is a career public servant. He has worked in the public service for many years and he continues to do so. The Minister of Citizenship and Immigration appointed him to that very important position and I do not see why the hon. member objects to that appointment, given the mandate of the Immigration and Refugee Board.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, will the minister admit that, through this appointment, he is indirectly doing what his government refused to do directly and which he strongly denounced when he sat in the opposition, namely to link immigration to intelligence and national security issues?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, Mr. Fleury has been a public servant since 1965. He worked in several departments and only spent three years with CSIS.

I can understand that the hon. member sees a connection with security issues. However, Mr. Fleury's record in the public service clearly shows that he is a good public servant and that he will definitely continue to provide quality services.

* * *

[*English*]

LAND CLAIM

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, the Six Nations Indian band in Ontario recently filed a legal action against the province of Ontario and the federal government seeking compensation for land, money from land sales, revenue from mineral rights and compound interest on any money owed.

This claim, which relates to all transactions in the province since 1784, is estimated by one of the chiefs to be in the neighbourhood of $400 billion.

I hope we get one clear answer from the government today. Will the government or someone from the government confirm to the Canadian taxpayer if the federal government has in fact advanced any federal funds in support of this legal action?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I will take the question under advisement. This is a very specific question where a proper answer is needed. We will get the details for the hon. member and give them to him as soon as they are available.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I would hope in the future we will get a proper answer from the government regarding Indian affairs.

I anticipate we will hear no clear answer. I am surprised that given the magnitude of the lawsuit, being $400 billion, that someone has not been reached on that side of the House on this question.

• (1135)

Can the Reform Party and Canadian taxpayers be assured that a very clear and distinct answer will be given to this question?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Yes, Mr. Speaker.

[*Translation*]

PUBLIC SERVICE

Mr. René Laurin (Joliette, BQ): Mr. Speaker, my question is for the President of the Treasury Board.

After denouncing last week the government's failure to tackle waste in the public service, we must rise again today to denounce the unfairness of the cuts. At this time, 14 per cent of full time jobs in the public service are held by contract employees without job security. These employees are generally young graduates and the majority of them are women.

Does the President of the Treasury Board admit that most of the cuts will affect contract employees and that we are thus sacrificing a new generation of our most dynamic and youngest employees?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, in short, no. We are making the cuts according to the programs and services we have reviewed. They are going to be cut as part of our endeavours to get the deficit down and to cut government expenditures.

It is the positions that are associated with those programs and services that will be cut. Some of them will be long term positions, some will be contractual positions. We will be monitoring the entire situation to make sure that at the end of the day after the cuts are made, we will still have a public service that is able to provide the needs of Canadians in an efficient and effective manner.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, women represent 62 per cent of those full time contract employees who will be affected by the cuts announced by the government. Does the President of the Treasury Board confirm that these downsizing measures will affect mainly women?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I do not believe so. We are going to monitor the situation very carefully.

I have said, that these are positions related to certain programs and services that are going to be cut as a result of budget reduction measures. Treasury Board will be monitoring them to try and ensure that we do not get into a disproportionate situation for any one particular group and that we do maintain a dedicated, professional public services that is able to provide the services Canadians need.

TRADE

Mr. Paul Zed (Fundy—Royal, Lib.): Mr. Speaker, a number of members from all parties and from all regions of Canada have come together to form a sugar caucus to address the issue of restrictions placed on Canadian sugar exports to the United States.

Revenue Canada today announced that it is investigating unfair trading practices of sugar exporters in the United States, Europe and Korea. I am sponsoring legislation to address the problems facing Canadian sugar workers and producers. All members are pleased that the minister has launched this action.

Can the minister explain to the House the basis for the investigation into the dumping and subsidization of sugar imports and the benefits which the sugar producers can expect to receive from this important action?

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue, Lib.): Mr. Speaker, I am pleased to confirm that today the department initiated a dumping and subsidy investigation into imports of sugar from Korea, the European Union and the United States.

This investigation was initiated in response to allegations filed by the Canadian Sugar Institute that sugar imports are being dumped into Canada and that foreign refiners have been receiving government subsidies which allow them to sell at prices which are sometimes below the cost of production.

These alleged practices have reduced profit levels, forced Canadian refiners to reduce prices to unreasonable levels and to lay off workers. Therefore, the department will now investigate the allegations and should they be proven accurate, apply an extra duty which will take away the unfair advantage enjoyed by imports and once again provide a level playing field for Canadian refiners.

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THE BUDGET

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, every December accountants in Canada will have large, extra expenses because the new budget forces all professional income returns to be filed at the same time. Professionals will have to bear this extra cost forever, while the government will have only a one time increase in cash income. By no economic standard is this an efficient tax.

• (1140)

Has the minister estimated the efficiency of the new tax measure by comparing the present value of the higher accounting costs with the one–time gain in revenue?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, this is a measure that has received a great deal of support from those affected.

It has been pointed out to me that the Association of Certified General Accountants, the CGA, has supported the move. The members of this organization are obviously those most immediately affected.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, this is not the message I receive from accountants in my riding.

The legislation affecting the accounting years of proprietary professional business leaves unaffected the freedom of incorporated business to choose their accounting year.

What justification does the minister have for discriminating against unincorporated businesses which will now have to spend thousands of dollars to incorporate if they want to retain flexibility in choosing their taxation year end?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, there is absolutely no discrimination arising from this measure.

We have said that individual Canadians who had the opportunity at one point to avail themselves of a deferral which was not available to other individual Canadians will no longer be able to do so.

We did this on the basis of tax fairness. That is the way it has been received and it is one of the reasons that I am so glad that an august body like the CGA has supported what we have done.

* * *

[*Translation*]

MONEY LAUNDERING

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the solicitor general. The parliamentary secretary to the solicitor general stated in this House that an investigation was under way to explain the RCMP's lack of co–operation with the Swiss authorities, which resulted in Libertina Rizzuto and Luca Giammarella being set free for lack of evidence in a money laundering case.

Can the Solicitor General give us an update on the investigation announced by his parliamentary secretary, which should shed light on the reasons behind the RCMP's lack of co–operation with the Swiss authorities in the case involving Libertina Rizzuto and Luca Giammarella?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the hon. member is mistaken. There was close co–operation between the RCMP and the Swiss authorities, and I have been informed that the Swiss authorities are quite satisfied with the support they received from the RCMP.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, must I remind the Solicitor General that the only officer familiar with the Rizzuto and Giammarella case was on holiday when the Swiss authorities were forced to set them free?

How can the Solicitor General explain that the Swiss authorities, who caught these two individuals in the act of laundering money, were forced to set them free because the RCMP did not co–operate? This was mentioned by the Swiss authorities themselves.

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, again, the hon. member's comments are wrong. A second report published a few weeks ago in the Montreal newspaper he has quoted set the record straight. The fact is that co–operation between the RCMP and the Swiss authorities is excellent. I am told that the Swiss authorities are fully satisfied with the support they received and are receiving from the RCMP.

* * *

[*English*]

GUN CONTROL

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, last month a plain clothes policeman appeared at the home of Darrell McKnight near Fredericton with a warrant to seize his Franchi shotgun, banned by order in council effective January 1.

Mr. McKnight's teenaged daughter, home alone, phoned her father and on his instruction surrendered the gun's receiver, the minimum legal requirement. The officer insisted that she produce the rest of the gun and told her that he could tear the house to pieces to find the parts.

Given that when Mr. McKnight arrived with his lawyer, two backup police cars had arrived to deal with this dangerous criminal, can the justice minister understand why gun owners are afraid of setting themselves up for future harassment by registering their guns?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I will not comment on that specific case except to say that I look forward to seeing what the issue is in light of all the facts when fairly stated.

Let me point out that in respect of firearms that were prohibited effective January 1 of this year the federal government is paying compensation to those people from whom we are taking the firearms. That is point number one.

• (1145)

Second, firearms in that category are being prohibited because they are not used for sporting or hunting purposes. These are assault type weapons that have no place in this country.

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, the Franchi is a shotgun with a short stock.

The seizures of registered previously legal firearms under Kim Campbell's orders in council have been declared unlawful by Alberta courts. The crown is appealing but the minister has, nevertheless, bulled ahead with more potentially illegal OICs. Why is he not prepared to await the legal outcome to let this run through the courts before confiscating more lawfully owned property from honest citizens who trustingly registered them before the orders were issued?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the case referred to in Alberta is under appeal and the federal government has every confidence that its position will prevail in the appellate court.

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FINANCIAL INSTITUTIONS

Mr. Ron Fewchuk (Selkirk—Red River, Lib.): Mr. Speaker, my question is for the Secretary of State for International Financial Institutions.

Yesterday the secretary of state announced the government is launching a review of financial institutions legislation. Could the secretary of state explain what this review will entail and how can Canadians get involved?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I thank the hon. member for his question.

The Department of Finance did issue a press release yesterday inviting interested parties to comment on the mandated five–year review of the federal financial institutions legislation which comes up in 1997. That includes the Bank Act, the Insurance Companies Act, the Trust and Loan Companies Act and the Co–operative Credit Associations Act. We have asked that submissions be received from the public by June 30, 1995.

This is a separate issue from the regulatory and supervisory package which I presented in a white paper. We are very much looking forward to submissions from the public.

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CANADIAN WHEAT BOARD

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, in response to the decision to eliminate the Crow benefit the Canadian Wheat Board has asked the federal government to give farmers a short term break on freight rates. This raises a couple of questions for the Minister of Finance.

Can farmers expect any regulatory control to prevent freight rate increases on grain after August 1, 1995? Can the minister tell us if the government has done an evaluation of the effect the elimination of the Crow will have on the long term future of the Canadian Wheat Board?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, obviously the changes in the WGTA have a lot of impact on the movement of grain in the west.

The Minister of Agriculture and Agri–Food and the Department of Transport have been looking at all of the alternatives. We have had extensive discussions with all of the shareholders, the producers, the railroads. We are very much aware of the concerns raised by my hon. friend.

I want to assure him and the people who are going to be directly affected by the measures announced in the budget that we will take every step possible to ensure the orderly and affordable transportation of grain in western Canada.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, perhaps to the Minister of Finance this time, can the minister explain why the government's one–time payout for the loss of the Crow is based on an expected reduction in land value and not on the increased costs of shipping grain?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, all of the negotiations surrounding the method of paying that follows from the elimination of the WGTA have taken into account as many concerns as possible.

No final determination has been made with respect to the method of payment. The discussion is ongoing as to how that will be handled. Without exception, throughout these negotiations the government has been acutely aware of the implications for both the owners of the land and those who are actually farming the land. There has to be a determination on what is in the best interests of those two groups.

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[*Translation*]

GENETIC ENGINEERING

Mr. André Caron (Jonquière, BQ): Mr. Speaker, my question is for the Minister of Health. Last week several European countries took a stand against the marketing of genetic discoveries. Europe is sending a clear message to the biotechnology industry: allowing business to gain control over the gene pool of the human race is out of the question.

• (1150)

Does the Minister of Health not think that it is high time the government made its intentions known and tabled a clear policy preventing the sale of human embryos and genetic manipulation for commercial purposes?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I maintain direct contact with my provincial counterparts and we intend to put forth a policy on new reproductive technologies.

Mr. André Caron (Jonquière, BQ): Mr. Speaker, does the minister realize that the longer she waits to regulate the activities of certain Canadian businesses, the more difficult it will be to enforce regulations to prevent this commercial activity?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I understand fully and you will understand my frustration, especially when I get a question like this one from the Bloc Quebecois, whose members constantly talk about federal and provincial jurisdiction. You know that we must always work in co–operation with our counterparts. That is what we are doing and there is no doubt that something will be done.

* * *

[*English*]

GUN CONTROL

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, we have been told by a justice official the department is considering linking some private organizations into the proposed gun registration system.

Could the minister verify whether this is true? Is he contemplating providing access to privileged information about private citizens to outside organizations through C–PIC and the gun registration system?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): No, Mr. Speaker. The proposal is to have a registry which will be kept in computer records but which will be part of C–PIC and available only to police.

As secure as the registry system for handguns has been, we have had registration of handguns for decades and there has not once been an instance of anybody breaking into the secure registry system for handguns.

At the moment those who oppose registry are fearmongering, trying to get people to think the registration will result in people getting into private information. That is simply untrue.

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, given past conflicting statements by this minister I am not sure how much comfort our citizens are going to take that he is going to be protecting their privacy.

At the age of 17 Kevin Mitnick hacked into the North American air defense command's main computer. Recently he stole computer files which could compromise the security for anyone on the Internet.

With new hackers every day how can the minister guarantee to responsible gun owners that his new registration system will not simply provide a supermarket for criminals looking for guns?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, if we want to spend time in the House looking into the future and conjuring up images that frighten Canadians, I would rather focus on what will happen if we do not have effective gun control.

We will go the way of other countries. We will undermine public safety. We will end up with a gun culture. Canadians do not want that for the future of their country.

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HEALTH

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, my question is for the Minister of Health.

It is widely accepted that in the past medical research and therefore practice and treatment have to some extent failed women.

Some hon. members: Oh, oh.

Ms. Cohen: It seems the testosterone levels are a little high on the other side today. Those members do not take women's health matters seriously. Maybe when they get their guns they will feel better.

Breast cancer, osteoporosis, heart disease and other ailments remain a serious and deadly threat to the women of Canada, although apparently amusing to the Reform Party.

What is this government doing to keep its red book promises to Canadian women to improve their health care?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the government thinks it is absolutely shameful the amount of neglect allowed to occur in terms of focusing on questions of women's health.

When it comes to breast cancer during this past budget exercise we have been able to keep the moneys we have so we can continue to invest in research and other services having to do with women and breast cancer. Not only that, we are looking at reallocating funds so we can do even more.

As to specific red book commitments, I will refer to the centres of excellence on women's health. We are about to launch the process for the site selections for the centres of excellence. These centres of excellence will link together researchers, policymakers, health professionals and women's groups across the country so we can better focus dollars we have.

Some hon. members: Order.

• (1155)

Ms. Marleau: I find it disgraceful that members of the Reform Party would be so lacking in respect for the very serious problems of women's health.

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DEPARTMENT OF NATIONAL DEFENCE

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, it has come to my attention this government plans to spend $10 million to renovate the dilapidated World War II barracks at CFB Cornwallis for the international peacekeeping centre.

Could the minister of national expense, I should say defence, explain to Canadians why taxpayers must pay for this ridiculous renovation while modern DND facilities are available across the country?

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the hon. member knows that a decision was made to establish a centre at Cornwallis. I am unaware of the details as alleged by the hon. member. I will take the question as notice, advise the minister and I am sure he will provide the hon. member with a fully satisfactory explanation next week.

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[*Translation*]

AIR SAFETY

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, my question is for the Minister of Transport. Part III of Transport Canada's Estimates indicates that steps were taken to implement Transport Safety Board recommendations regarding serious deficiencies in the inspection of commercial aircraft.

How can the minister hope to convince us that his department will be able to carry out more thorough inspections and improve follow–up when $12 million were cut from the $82.2 million budget of the departmental unit responsible for these inspections?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, my hon. colleague knows that air safety within Canada and on international flights out of Canada is absolutely essential, and crucial to the success of Air Canada, Canadian Airlines International and other carriers. I am sure that my hon. colleague would not want to raise questions that could cast doubt on the safety of these aircraft.

The main thing to remember in all this is that carriers, pilots, the inspection agency—Transport Canada, in this instance—everyone must do their job. But what was reported, and this is very important, is that the problem may not have been the inspections but the follow–up. In this context, we, at Transport Canada, have undertaken to ensure that, whenever deficiencies are found, they be followed–up much more seriously than in the cases reported by the commission.

[*English*]

FINANCE

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, my question is for the Minister of Finance.

Increasingly we are hearing the Canadian banks being referred to as international casinos as the global gamblers now using depositor's money are re–entering into a casino like existence.

Can the Minister of Finance tell us what he plans to take to the Halifax conference in terms of ensuring this is on the agenda and when some of the details of that will be made public?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, there is no doubt that first and foremost on the agenda is the reform of the Breton Woods Institutions. In that area of reform will be the whole question of surveillance and transparency involving sovereign nations and also the whole question of capital flows. I suspect what the member is referring to is the problem of derivatives and the consequences thereof.

I have met with the heads of most of the major Canadian financial institutions. In the course of those discussions they assured me we do have the controls to avoid the kind of problems that exist abroad.

We also have a financial culture which would not lend itself, although you can never tell what can happen, to the kinds of problems to which the member referred.

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CUBA

Ms. Judy Bethel (Edmonton East, Lib.): Mr. Speaker, my question is for the Secretary of State for Latin America and Africa.

It was reported today that an American congressman suggested Canada defer to U.S. foreign policy on Cuba. He was supporting a bill before Congress that would punish countries that ignore the U.S. embargo.

How will this bill affect Canadian companies doing business in Cuba?

• (1200)

Hon. Christine Stewart (Secretary of State (Latin America and Africa), Lib.): Mr. Speaker, I am very pleased to respond to my colleague's important question. The United States has draft legislation in place right now which would have a negative effect, especially on the principals and families of some Canadian companies investing in Cuba.

We hope there will be amendments to this legislation before it is pursued in the United States. However, we have made it very clear that Canada will be pursuing and will continue to pursue an independent foreign policy. This is very well respected world wide.

This week we are very pleased to be celebrating 50 years of friendly relations with Cuba and we expect to have many more such years in the future.

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[*Translation*]

MARINE ATLANTIC

Mr. Benoît Sauvageau (Terrebonne, BQ): Mr. Speaker, for over a year, the official opposition has been asking the Minister of Transport to explain why Marine Atlantic, which is a Crown corporation, had been authorized to operate two of its ships under Bahamian flags, and to correct the situation as quickly as possible.

Can the minister confirm today that all Marine Atlantic ships now fly Canadian flags, and can he tell us what measures were taken to ensure that Canadian government agencies do not operate ships under convenience flags?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, when the issue was raised some months ago, as the hon. member pointed out, we were looking at a situation which, in some cases, had been persisting for quite a long time. We have decided to commercialize Marine Atlantic's operations. In other words, we will sell all the ships.

* * *

[*English*]

PRESENCE IN GALLERY

The Speaker: Colleagues, may I draw your attention to the presence in the gallery of the Hon. Rigoberto Ochoa Zaragoza, Governor of the State of Nayarit, Mexico, and an accompanying delegation.

Some hon. members: Hear, hear.

The Deputy Speaker: May I also draw to your attention the presence in the gallery of His Worship Al Duerr, the mayor of Calgary.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

[*English*]

SMALL BUSINESS

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, pursuant to Standing Order 109, I am pleased to table, in both official languages, the government's response to the second report of the Standing Committee on Industry entitled "Taking Care of Small Business".

I am also pleased to table copies of a report entitled "Small Business: A Progress Report" together with the government's response to the report entitled "Breaking Through Barriers" from the private sector.

This is the private small business working committee established by the government in 1994.

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COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 66th report of the Standing Committee on Procedure and House Affairs regarding supplementary estimates (D) for the fiscal year ending March 31, 1995.

The committee considered supplementary estimates (D) referred to the committee as agreed, and report them to the House without any amendment.

Mr. Speaker, I have the honour to present the 67th report of the Standing Committee on Procedure and House Affairs regarding the membership of standing committees.

If the House gives its consent, I intend to move concurrence in the 67th report later this day.

* * *

FARM IMPROVEMENT AND MARKETING COOPERATIVES LOANS ACT

Hon. Douglas Young (for Minister of Agriculture and Agri-Food) moved for leave to introduce Bill C-75, an act to amend the Farm Improvement and Marketing Cooperative Loans Act.

(Motions deemed adopted, bill read the first time and printed.)

* * *

● (1205)

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if the House gives its consent, I move that the 67th report of the Standing Committee on Procedure and House Affairs, presented to the House earlier this day, be concurred in.

(Motion agreed to.)

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I believe there is unanimous consent for the following

motion. I move that the following change be made to the membership of the Standing Committee on Procedure and House Affairs: Mr. Pickard for Mrs. Bakopanos.

(Motion agreed to).

* * *

PETITIONS

GUN CONTROL

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, I am pleased today to present a petition to the House bearing 904 signatures opposing further gun control.

HUMAN RIGHTS

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, I am pleased to present a second petition bearing 550 names opposing amendments to the Criminal Code, the Canadian Human Rights Act or the Charter of Rights and Freedoms to include consideration of same sex relationships.

ASSISTED SUICIDE

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, the third petition contains 51 signatures opposing assisted suicide.

INCOME TAX

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, the final petition contains 254 signatures from petitioners opposing increased taxes.

I respectfully submit these petitions.

GUN CONTROL

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, pursuant to Standing Order 36, I rise to table four petitions today.

The first petition is signed by 195 people from Surrey and surrounding area and requests that Parliament refuse to accept the justice minister's gun control proposals.

The petitioners feel that this anti-gun legislation will do little, if anything, to reduce the incidence of violent crime and will simply restrict the rights of law-abiding citizens and target shooters.

SEXUAL ORIENTATION

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, the second petition is signed by 25 people from Surrey and surrounding area and 170 people from my riding of Surrey North, requesting that Parliament not pass Bill C-41 with section 718.2, as presently written, because of the undefined phrase of sexual orientation.

These petitioners feel that everyone currently has equal status under the law.

AIRCRAFT MAINTENANCE

Ms. Margaret Bridgman (Surrey North, Ref.): Mr. Speaker, I present a fourth petition signed by 95 people from Surrey and surrounding area. The petitioners pray that Parliament intervene and stop the minister from amending the aircraft maintenance engineering licensing system.

The petitioners feel that the licensing system should be retained in its current form and continue to be monitored as is the current practice.

RIDING MOUNTAIN NATIONAL PARK

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, I have three petitions to present to the House today.

The first petition is signed by 285 of my constituents who live the rural municipality and village of Rossburn.

The petitioners urge the government to take action on the early construction of an all weather road through the west end of the Riding Mountain National Park to connect the communities of Grandview and Rossburn. The hope is that this road will stimulate the stagnating agricultural economy by promoting trade, tourism, social and cultural exchanges.

EUTHANASIA

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, the second petition I present to the House has 58 signatures and is on the subject of euthanasia and assisted suicide.

The petitioners pray that Parliament not repeal or amend section 241 of the Criminal Code of Canada and continue to disallow assisted suicide and euthanasia.

CANADIAN WHEAT BOARD

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, the third petition is signed by 854 agricultural producers from the province of Manitoba that support the Canadian Wheat Board.

The petitioners draw the government's attention to the fact that a very vocal minority are requesting a dual marketing system for wheat and barley for export.

The petitioners therefore request that Parliament continue to give monopoly power to the Canadian Wheat Board for the export of wheat and barley.

SEXUAL ORIENTATION

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, it is my pleasure to add another 385 names to the hundreds of thousands of other petitioners who have asked that Parliament not pass Bill C-41 with section 718.2 as presently written and not to include the undefined phrase, sexual orientation. The behaviour people engage in does not warrant special consideration in Canadian law.

• (1210)

Mr. Speaker, I have another petition where the petitioners call on Parliament to oppose any amendment to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms which provide for the inclusion of the phrase sexual orientation.

INCOME TAX

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, I have a third petition which is perhaps a little after the fact.

These petitioners pray and request that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal government spending.

GUN CONTROL

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, it is my honour and pleasure pursuant to Standing Order 36 to present a petition signed by 295 of my constituents residing primarily in the villages of Coronach, Fife Lake and Rockglen and the surrounding districts.

These petitioners state that except in police states there is no evidence that the suicidal or criminal misuse of firearms is impeded or restricted by legislation.

They therefore humbly pray that Parliament desist from passing additional restrictive legislation with respect to firearms or ammunition and to direct its attention to the apprehension and punishment of those who criminally misuse firearms or other deadly weapons.

I wholeheartedly concur.

JUSTICE

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, I am pleased to present this Melanie Carpenter petition organized by Nick Carter and other staff members from JC–55 SuperCountry Radio station in Kamloops and circulated throughout the Kamloops area, the north and south Thompson valleys and the community of Logan Lake as well as a number of other communities throughout central British Columbia.

This brings to 22,000 the number of names of individuals calling for changes to Canada's justice system and parole system in an effort to make our streets and neighbourhoods safe places in which to live and to raise our families.

Specifically, the petitioners believe that those convicted of dangerous and sexual offences should remain incarcerated until they have successfully undergone treatment and can demonstrate unequivocally that they have been completely rehabilitated.

SEXUAL ORIENTATION

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have two petitions to present.

The first petition contains the signatures of 50 constituents of Simcoe North and calls on Parliament to oppose any amendments to the Canadian Human Rights Act and the Canadian Charter of Rights and Freedoms which provide for the inclusion of the phrase sexual orientation.

Mr. Speaker, the second petition calls on Parliament to delete entirely section 718.2 of Bill C–41.

I present these petitions because I believe all my constituents are entitled to express their views. However, I fully support the increased penalties for hate crimes contained in Bill C–41.

I call on the Minister of Justice to bring forward the promised amendments to the Human Rights Act to include sexual orientation as a prohibited grounds for discrimination at the earliest opportunity.

The Deputy Speaker: The member may not have heard the Speaker say earlier this week that he does not wish us to say whether we agree or disagree with the petition.

VIOLENCE

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, these petitioners believe that violence and abuse in all forms is a growing concern in our society.

They also believe that these are not necessary in order to inform or to entertain. They are particularly concerned about abuse and violence in various forms that appear in the media.

They ask the government to ensure that the CRTC regulate this and remove it if at all possible or certainly diminish it. They also believe that violence is counter to the values they try to instil in their families. They do, however, point out that there have been some gains. They appreciate the efforts that have been made to date.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the following questions will be answered today: Nos. 107, 125 and 151.

[*Text*]

Question No. 107—**Mr. Breitkreuz (Yorkton—Melville):**

What is the estimated economic impact in Canada of the firearms and related industries, with attention to manufacturing, sales and repair, international trade, hunting, sports, recreation, tourism and associated activities and what is the impact that previous and proposed gun control measures have had and will have on the firearms and related industries?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): The firearms industry is substantial, especially when one considers related industries such as hunting. For example, the Canadian Wildlife Service (Environment Canada) reported that in the year 1991 over 1.2 billion dollars were spent by Canadians and Americans on hunting in Canada.

Firearms control is designed to be cost neutral. The measures introduced continue to respect the legitimate uses of firearms for sporting and recreational purposes.

Stricter firearm control measures are essential to public health and safety, and one cannot pub a price tag on the prevention of violence and the added security felt by Canadians.

Question No. 125—**Mr. White (North Vancouver):**

What legal or constitutional authority provided to Native Band Councils prohibits non–Natives residing on Native lands from exercising their franchise in the election of local Band Council representatives?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Subsection 91(24) of the *Constitution Act, 1867* establishes the authority of Parliament to make laws regarding Indians and lands reserved for Indians.

The *Indian Act* provides that the election for the chief and council of a band can be held under one of two authorities. One, the *Indian Act* and the Indian Band Election Regulations: If the chief and council are elected under the *Indian Act* and the regulations, all voters must be both band members and ordinarily resident on the particular reserve (section 77(1)).

Two, the custom of the individual band: If the chief and council are elected/selected according to the custom of the band, the qualifications for the voters are set by the band, and the band has the sole authority to do this.

Question No. 151—**Mr. Caccia:**

In light of the recent derailment of tanker cars carrying sulphuric acid which spilled into Lake Masketsi and the Tawachiche River, does Transport Canada intend to undertake an investigation to identify and correct factors which could lead to future derailments of tanker cars carrying toxic substances?

Hon. Douglas Young (Minister of Transport, Lib.): The Transportation Safety Board, TSB, an independent agency which operates under its own act of Parliament and reports to Parliament through the President of the Privy Council, is conducting an investigation of the circumstances of the accident. The TSB will issue a public report once its investigation is completed. Any recommendations made by the TSB will be acted upon by Transport Canada should any factors be identified which could lead to further derailments and subsequent leakage of tank cars carrying toxic substances.

In the interim, Transport Canada's transport of dangerous goods directorate is reviewing the design standards of the particular tank cars involved in the derailment to assess the possibility of enhancing their safety performance.

[*English*]

* * *

• (1215)

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Hermanson: Mr. Speaker, I believe there would be unanimous consent to support an order for return of question 131.

The Deputy Speaker: Did the parliamentary secretary ask that earlier this day?

Mr. Milliken: No, Mr. Speaker, I asked earlier this week and unanimous consent was refused.

[*Translation*]

Mr. Speaker, if Question No. 131 could be made an order for return, that return would be tabled immediately.

The Deputy Speaker: Under the circumstances, does the House give unanimous consent for the request?

Some hon. members: Agreed.

[*Text*]

Question No. 131—**Mr. Gilmour**

What was the total dollar amount (direct and indirect) and source of government funding per annum from 1990 to the present to the following interest groups: Western Canada Wilderness Committee, Sierra Club of Western Canada, Greenpeace, the CANI–Clayoquot Project, the Environmental Youth Alliance, and the Clayoquot Biosphere Project?

(Return tabled.)

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

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY—SOCIAL PROGRAMS

The House resumed consideration of the motion.

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I am pleased to participate in the debate on the Reform Party motion, which proposes to replace Canada's current social security system with a registered personal security plan.

From the outset, the wording of the motion reflects its underlying philosophy or principles. The Reform Party wants to replace a social security system with a personal security plan. A

social security system is a plan designed to look after the needs of the poor, so that they have the minimum required to live in adequate conditions. On the other hand, a personal security plan concerns a single individual, namely its beneficiary. Such a system has no social dimension: it only concerns the individual.

The underlying principle of that proposal is obviously the prevailing ideology within certain groups promoting a free market, the law of the jungle and the "every man for himself" philosophy. This is not the principle which guided the building, in Quebec and in Canada, of the current social, economic and even political structures.

This morning, I listened to the hon. member for Calgary North, who mentioned some countries which had set up plans somewhat similar to the one she is proposing. She referred to the United Kingdom under Mrs. Thatcher and Chili under General Pinochet.

I do not think these examples would be acceptable to people who have any social conscience at all. The British experience under Mrs. Thatcher, for the past fifteen years or so, was not a particularly happy one. If we compare that experience with the option chosen by France which has taken a different approach to managing and funding social programs, we realize that people in the U.K. are not better off financially than people in France, at present.

As for Chili under General Pinochet, we need only consider what happened during that period and what this every man for himself, this free market ideology produced. It produced torture, deregulation and anti–union behaviour and made the poor even poorer. I do not think people would welcome that kind of system in Canada, especially since we recently had another example of a government that applied this ideology.

Which country was mentioned in glowing terms by the International Monetary Fund? Which country was, in recent years, applauded for its privatization model? Which country was cited as an example for its cuts in social programs? It was Mexico. And look at where Mexico is today. This is a country that wanted to implement a foreign ideology, a country that took steps that had a disastrous impact, first on the poorest in Mexican society and later on the entire Mexican economy.

We cannot disrupt people's lives for ideological reasons, and we cannot apply half–baked theories developed by academics in their ivory towers. We cannot just go ahead and blindly apply these ideologies to advanced societies like ours.

• (1220)

Clearly, I do not support the motion presented by the Reform Party. I intend to analyse it, however, because there are some aspects that must be condemned outright and that are downright shocking.

First of all, the motion proposes to reform existing social programs which are said to be failing, an expression that has a certain currency among certain groups. Who says social programs are failing? The people who do not need them.

Why do we have social programs in Quebec, in Canada, in the western world? Workers and the least well–off have always sought protection against poverty resulting from sickness, unemployment and old age. Often, when people can no longer work because of age they are poor if they had only their job as a source of income.

Western society, has always, and particularly in the past 20 to 30 years, sought protection against the poverty resulting from these scourges. I think they have clearly succeeded. We have health care programs to help the sick, unemployment insurance programs to support those who have lost their jobs and old age security programs to provide a decent standard of living to seniors who have worked all their lives.

I do not know how we can claim these programs are ineffective. I think Canadians and Quebecers know what is involved; they want to keep their social programs. I have two personal examples for you that will confirm what I am saying.

When the Minister of Human Resources Development tabled his proposed social reforms, I called a meeting in my riding for anyone interested in the subject. Some 200 people showed up—people from community groups, the unemployed, union people—These people made it clear to me that we had to protect the social programs we enjoy in Canada today. We might have to change them a bit, but the conclusion was that they had to be protected.

My second example is the petition given me by the movement known as Solidarité populaire, Saguenay—Lac–Saint–Jean. This petition contains nearly 11,000 names requesting the minister to keep the social security safety net in Quebec and Canada.

In the light of such a showing, I can only support those who elected me, particularly because I share their beliefs, and insist that the government maintain the social programs we currently have in Canada, adjusting them as necessary to suit circumstances and to improve their effectiveness.

We hear a lot about the cost of social programs. Of course, unemployment insurance, old age security and health insurance cost money. To some extent, we can surely limit expenditures. We need think only of the duplication of federal and provincial initiatives, which we could stop.

We could also consider cutting expenses by adapting certain programs to reduce their costs and so that the people running them give greater thought to costs. Given the effects of these programs in social terms, I do not think that current costs are exorbitant.

The problem with these issues of cost is the lack of fiscal resources. Why are we lacking fiscal resources in Canada? Because our policies on employment are ineffective.

• (1225)

Certain circles, especially people from the Reform Party, have the following to say about employment policies: "We do not need to have a policy on employment, because jobs are created by the private sector". This point of view is slowly winning over some of our friends opposite, from the Liberal Party. What a pity. Although it is true that business creates jobs, in advanced societies like ours, the government should blaze the trail and take job creation initiatives whenever there is a need.

I am not suggesting that we introduce initiatives based uniquely on a certain ideological or theoretical framework. We must look at the needs of the population and make sure that they are met, to the extent that this is possible.

I would like to move on to a more thorough critique of the Reform Party proposal, as regards a personalized system. The concept of universality would be thrown out. People who have contributed to a plan would be able to use it, and people who have not made contributions, well, who knows what would happen to them. The principle of universality is important, because it acknowledges a citizen's right to receive services by virtue of being a citizen, and, if all citizens have equal rights, they should all have access to many different kinds of services, like health care, education, social security and old age security, just because they are citizens.

Of course, those who are better off may possibly, through various means such as taxation, be required to pay back the benefits that they receive, but it still remains true, I think, that in a society, it is important that citizens collectively have the right to certain services, by the simple fact that they are citizens.

Under the personalized system proposed by the Reform Party, everybody would contribute to the plan, everybody would invest money in a fund in order to pay for their own eventual social needs. But, what happens to people who, for one reason or another, do not contribute to the plan? What happens to people who are unemployed, who cannot afford to make contributions? The chronically ill? People whose lack of training prevents them from being part of the active population? What would we do about them? Would we create a dual social security system?

And if we did, how would the people who have to contribute to a personalized plan feel? They will say: "We are already paying, so why should we pay for others?" In that case, will we let the poor pay for the poor? We can already see where a proposal like this one would take us. It would take us to a two–tier society with rich people living well and poor people starving. Quebecers and Canadians alike condemn that kind of society.

The proposal refers to tax–sheltered savings accounts. This means that the personalized system will be tax–deductible in a way. In other words, the Reform Party is saying "every man for himself", except that the state will have to give tax deductions to those who contribute funds to this system. I think that this is a covert way of making the state pay. It is all very well to say: "Yes, people will invest, take themselves in hand, put money aside—"

I heard our Reform colleague explain to us this morning that if you invest so much per year, you end up with a fortune after 15 or 20 years. This reminds me of the financial advisors who visit people in their homes and tell them: "If you deposit $500 every six months or $1,000 a year, with interest rates, you will become a millionaire". After he leaves, you see yourself as a millionaire, but you are not one penny richer.

While we are on the subject, our Reform colleague said this morning while explaining her system's benefits: "Assuming that a person invest so much as such–and–such an interest rate and that this person is never sick or unemployed, he or she will be a millionaire in 30 or 40 years". Such assumptions do not feed the poor, care for the sick or provide our old people with the support they need.

As for tax–deductible RRSPs, you may think, Mr. Speaker, that I am against RRSPs in principle, but that is definitely not the case, neither for me nor for my party.

• (1230)

In fact, in prebudget debates, we spoke in support of not taxing RRSPs, in spite of the fact this currently deprives the Canadian government of $15 billion in revenues, because we think it is not fair to change the rules of the game along the way, after a contract was signed or a tacit agreement has been reached by the government and citizens who invest in RRSPs. It had been agreed that these benefits would not be subject to tax.

As a party, we are not against RRSPs. We do not want RRSPs to become taxable, but at the same time we cannot understand why one would want to apply the RRSP formula to everyone in our society.

I see that I am running out of time, but I would just like to address one issue that our colleague raised this morning. What happens to those who invest in RRSPs if something goes wrong with the economy, if banks go under, if bad investments are made, if our currency is devalued, if the interest rates go down, if there is an economic crisis? I could go on and read you the entire Apocalypse. Many things can happen that will cause funds invested in RRSPs vanish. You could then come up to us and say: "Well, I am poor now. You must help me". If the Reform Party members were in power, here is what they would tell you: "Look here, sir, you made investments and you lost money. You are a loser and losers have no right to ask the society for help. When you lose money, you lose money, and you shut up".

Basically, the Reform Party's proposal is for the rich, the healthy and the educated.

The other problem with this proposal is this: these funds can and should be drawn only in an emergency. The proposed plan would replace the Unemployment Insurance Plan, the manpower training programs and the pension plans.

What happens when an individual has the misfortune to become unemployed repeatedly over the course of several years, if he has the misfortune to be ill and therefore unable to contribute to his pension plan? What happens if that he drains his personal registered savings plan and ends up with nothing to fall back on.

I think that the Reform Party's proposal takes a rather simplistic view of society and public finance. They are telling us that the public finance problem would be resolved if there were no public expenditures, which is rather simplistic, since it is so obvious. Except that public spending exists precisely because there is a public, a population, whose needs must be taken into account by politicians.

Solutions such as the one proposed by the Reform Party may seem attractive to someone watching us on television, while relaxing in the living room. However, such solutions are not acceptable to the needy.

In conclusion, since my time is running out, when faced with proposals such as this one from the Reform Party, we must remind our fellow citizens and politicians what social solidarity, society and community living are all about. Nowadays, these realities are too often forgotten. We hear about personal success, free market and registered personal security plan. This is a self–centred philosophy. I will not make a long speech about sacrificing everything, including ourselves, to help others, but we live in a society and we have a responsibility toward social solidarity.

I invite Reform members to reflect on life in a society and to realize that we do not live only for ourselves but also for others, who also live for us. This is how we can all function in a society. And this is what we hope to preserve for a long time to come in Canada and in Quebec.

• (1235)

[*English*]

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, I listened carefully to what my colleague from the Bloc Quebecois had to say. He asked several questions which I think should be answered immediately.

He asked who is saying social programs are inefficient. The Auditor General has said social programs are inefficient. I want to give the member some quotations from the Auditor General's 1994 report in which he says rising social program use and high repeated use suggests that social programs may be creating long term dependency among some users.

The Auditor General also says these social programs create disincentives to work when benefits from social programs compare favourably to earnings from jobs. He goes on to say employers and employees may be using unemployment insurance to support short term layoff strategies.

Another point the Auditor General makes is that interaction among social programs may result in programs working at cross purposes to each other. One of the other things he says is unemployment insurance may be a factor in Canada's rising level of unemployment and the lower level of outputs that result.

The Auditor General has said we need to take a closer look at this.

My colleague then said this is an idea that rich people and Reform MPs have thought up. My colleague seems to think these are just our ideas. I do not think he has any idea of how the Reform Party works and how we arrive at our policies and principles. The very principles and policies we are discussing here today as Reformers have been brought to us by the poor people of Canada as an alternative to protect them.

I would like to point out to my colleague how a grass roots party works. The idea we are debating today started with our members, not with our leader and not with a group of academics working on some government funded ministerial task force of some kind. Some of the best ideas that come forward come from the grassroots people, not from some top down, antiquated, political, bureaucratic system of some sort. The member should listen very carefully because these are not ideas that we have hatched in the back rooms of some office.

I cannot understand where my colleague from the Bloc is coming from. For a party that wants the provinces to have more control, I do not believe he would argue with what we are discussing today. He is supporting more federally run, big, social programs. We are saying they should be decentralized even to the point where local associations and individuals would have more control over their affairs.

One of the advantages of an RPSP is that there would be a lot less involvement of this big government in our lives. Taxes could be substantially reduced as individuals, local associations and charities would assume more responsibility for their lives in the communities. I believe this knew social order he alluded to

would have a positive effect even on reducing crime. He should take a closer look at what we are suggesting.

I do not have a lot of time today to go into this, but there are other areas, such as higher education, where we could look at this concept. I will give a personal illustration. I have four children. I did not feel that when it was time for them to go to university or whatever institution they chose that I would have the wherewithal to send them there. Therefore, I laid a little bit aside every month when they were young. It was not very much. It was equivalent to the family allowance given by the government at that time.

• (1240)

That small amount of money has grown to the point where now that they attend university, this RRSP type of saving pays for almost half of their education. The hon. member may not know, but I do not come from a wealthy background.

The plan could be applied in so many areas. Poor people could actually provide for their children and provide more security for themselves.

This country is in need of a major overhaul. The very idea the member suggests is unacceptable. Our country is not defined by our social programs, as many members are suggesting. I do not think Canadians can relate to the concept that we are Canadians and what makes us different from other countries in the world are the social programs we have.

It is individual initiative, responsibility, sharing and co–operation. It is the charities we set up. It is caring for our neighbours and our communities. It is the freedom, the strong families and values we have established, the personal assistance we give to each other, not some great social program. That is what has built up this country.

Thirty years of Liberal social engineering took away the personal responsibility. The very fabric of our society is being destroyed and the morale of the people is being broken.

I would like the hon. member to comment on what I have said. Does he not agree the government has failed miserably in running social programs? If he does not agree with our suggestion, what better suggestion does he have?

[*Translation*]

Mr. Caron: Mr. Speaker, I would like to make a few quick comments on what my colleague just said.

Regarding the auditor general, I recall getting the impression from his report that he blamed Mr. Axworthy, to a certain extent, for proceeding with social program reform before thoroughly analyzing the efficiency of Canada's existing programs.

I do not think that we can determine with any precision whether our social programs are efficient based on what the auditor general says. The auditor general has asked the government to review the situation.

My second comment is about what my colleague from the Reform Party said when he claimed that his party's proposals are grass roots proposals. My proposals and the ideas I shared with you earlier also came from the people. I told you that I met with some constituents. I told you that people from Saguenay—Lac–Saint–Jean asked me to give Mr. Axworthy a petition which 11,000 people signed. Therefore, I can also safely say that my ideas come from the people. I think that people want to keep the social network or social net, which we all have in common.

Now, regarding the opinion expressed that I should be happy to see social programs disappear because I am a sovereignist and because most of these programs are federal, and their disappearance could very well be politically opportune, simply because they are federal, this is not how the Bloc Quebecois sees it. Yes, indeed, we believe that the federal government should leave social programs to the provinces, because social programs do not lie within federal jurisdiction. What we are asking for is a system where the provinces would administer social programs in exchange for tax points corresponding to the cost of administering them.

I think that federalists, like my colleague from the Reform Party, should be more careful when they talk about the importance of social programs, because some Quebecers say that the railway and social programs are what Canada means to them. The railway is being dismantled and so are social programs. Therefore, in the opinion of many people, Canada is also crumbling.

Regarding the question I was asked about social program reform, I agree that the government ought to determine whether each social program meets the end it was designed for. I do admit that, in certain cases, it would be appropriate to adapt the program, and in others, to restrict them because they do not really meet any needs.

• (1245)

In my opinion, Canada must continue to invest in social programs because Quebecers and Canadians are very proud that the neediest people in our society can still live in dignity.

The solution lies in job creation, which will ensure that more Quebecers and Canadians are contributing money to the government. This is how we will be able to sustain the social programs which make us so proud and which make us the envy of many countries of the world.

[*English*]

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, it gives me pleasure to address the issue before the House today.

It is clear to everyone but I suppose the Liberal government that 30 years of social engineering have failed miserably. The main reason social programs have become unaffordable and unsustainable is that they create greater and greater dependency on social programs. No matter how these programs are designed, the end result would always be the same. More and more people use the system and eventually it becomes unsustainable because the government can no longer afford to pay the huge sums of money needed to satisfy everyone's so–called needs.

This is why half the people on welfare today are described as employable. This is why our unemployment insurance program actually creates unemployment. Economists call this moral hazard and people in Saskatchewan call it plain stupid. This is something that must be addressed in the debate. The debt and the deficit seem to be issues that people do not even consider in the comments they are making in regard to this matter.

The Department of Human Resources Development issued a report in January 1994 which provided an even more damning indictment of the negative effect of the unemployment insurance program. I want to address most of my remarks to the unemployment insurance aspect.

The report examined over a dozen existing studies which concluded that the changes made to the Unemployment Insurance Act in 1971–72 resulted in an increase in the unemployment rate in the range of 1 to 1.5 percentage points. That is how much unemployment was raised because of the change. The report also noted two unpublished papers that produced estimates showing that the UI rate was as much as 3.5 percentage points higher than it should be. That is very serious.

Using the range of estimates provided in the government's report, it means that instead of the current unemployment rate of 9.7 per cent it should be somewhere between 9.2 per cent and 6.2 per cent. That is a huge difference.

The UI program is so poorly designed that somewhere between 64,000 and 448,000 workers are unemployed because of it. It has not helped that we have suffered through 30 years of incompetent government and a lack of leadership has brought us to where we are today: on the brink of bankruptcy. Now we have 44 per cent of the people in Canada doubting whether they will ever receive old age pension and 42 per cent doubting whether they will receive their Canada pension even though they have paid into it with their own contributions.

The government's incompetence in dealing once and for all with the annual deficit by balancing the books is directly responsible for the deteriorating lack of confidence in our social security system. Instead of adding to our personal security, the approach of the Liberals to social programs is adding to our insecurity. They think if they just tamper with them a bit—and my hon. colleague from the Bloc suggested that we should tinker with them—they can make them better.

We have tinkered for 30 years and now we are on the brink of bankruptcy. Not only have the Liberal social engineering experiments failed us fiscally and economically but they have also failed us socially. The number of single mothers is increasing dramatically, not because teenagers are not smarter than they were when I was young but because many provincial welfare programs will pay welfare to teenagers who leave home just because they have had a disagreement with their parents. It is clear to everyone except politicians that social programs are also destroying families.

• (1250)

Today I want to look specifically at how the registered personal security plan system we are putting forth might be used to improve the current unemployment insurance program. The Reform Party's policy with respect to unemployment insurance has been developed and approved by Reform Party members at a number of assemblies since 1988. Reformers believe the program should be returned to its proper role as a true insurance program to cover periods of short term unemployment and that it should be administered by the employees and employers who pay the premiums, not by some big government in Ottawa.

At our membership assembly held in Ottawa last October Reform delegates, the supreme governing body of our party, voted almost unanimously in favour of the following resolution:

> Resolved that the Reform Party investigate the feasibility of replacing the compulsory, government operated, privately funded, taxpayer subsidized Unemployment Insurance Program with a voluntary, personally financed, privately administered, government regulated Registered Unemployment Savings Plan.

That is what we are bringing forward today as a suggestion that should be explored by the government.

Reformers are not alone in thinking that the RPSP concept might have applications beyond savings for our retirement. This is what the Canadian Institute of Actuaries had to say about the possibility of expanding the use of RPSPs to replace the existing UI program in its submission to the human resources development committee:

> A well designed Unemployment Insurance Program would be one which would encourage and reward attachment to the workforce. A capital accumulation program would fulfil this role, as this type of plan could be set up to deposit employer and worker contributions into a registered unemployment savings trust account. This account would be tax sheltered and invested at the sole discretion of

the worker, similar to a group RRSP arrangement. This program would be compulsory for all workers and would replace the existing UI program. This could be co–ordinated with CPP/QPP to enhance retirement security.

While the Canadian Institute of Actuaries is saying contributions would be compulsory, Reformers have still not made a decision on whether the program should be compulsory or voluntary. The Reform Party is still investigating this concept and it will be a number of months before we will be able to make a final recommendation to our members.

The winning proposal selected in the Fraser Institute's 1992 economy and government competition estimated that replacing the current unemployment insurance program with the RPSP type program could save governments over $5 billion a year. The proposal also estimated the greatest positive impact came from replacing the disincentives to become hooked on UI with real incentives to work.

Another huge benefit described was the increased economic activity and job creation that resulted from having about $12 billion a year left in the hands of workers and employers instead of being sent to government to be wasted by spendthrift ministers and bungling bureaucrats.

Many other benefits were noted in the study including a $1 billion saving in government administration costs, a reduction in paper burden and red tape for employers and employees, more money in private hands for training and upgrading, and ending the duplication of effort between UI and provincial welfare programs. Surely everyone would realize that and support our proposal on that basis alone.

Based on our initial research and the positive reaction to the idea of RPSPs by economists, business leaders, the general public and even the media, Reformers believe the idea is one whose time has come. Reformers invite the government to support our motion Work with us to help complete our investigation of the feasibility and application of the RPSP concept. We want to work together with government members. They said they were going to co–operate. This is one aspect where we can.

Reformers will initiate extensive research effort in the next few months. We will use this background information to launch a far reaching consultative process to get public input. The concept will become part of the Reform Party's policy development process and will lead to discussion and debate in hundreds of constituency associations across Canada, culminating in a vote and a decision at our next membership assembly. If approved by our members the concept will form part of the Reform Party's election platform for the next general election. Reform will campaign using the RPSP concept, and if elected Reform will have the mandate to implement the changes we propose.

• (1255)

The Liberal approach is the reason many Canadians become cynical with traditional parties and old line politicians. They never say what they are really going to do and they never really do what they say. The Liberals are masters of old style politics more than anything else. Reformers came here to change the democratic system.

Voters under a Reform government would have real power as a result of democratic reforms which would include citizen initiated legislation, free votes for MPs, referendums, MP recall and a triple–E senate.

Reformers know the government started out to solve the problem but now government itself has become the problem. My goal as a Reform MP is to get the government off the backs of people and out of their pockets. The registered personal security plan is one that will help us achieve that goal.

That completes my presentation as I am willing to split my time with my colleague.

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I listened carefully to the hon. member's comments. I want to ask him about an issue to which I alluded during my speech. What happens to those who make bad investments? What happens when interest rates get too low? What happens when banks go bankrupt? It may sound a bit ridiculous that a bank could go bankrupt, but it has happened in western Canada. It almost happened with the old Barings bank, in England, which experienced serious problems following some unfortunate investments by one of its managers. What happens if the tax–exempt money put in safe banking institutions does not grow? What happens if, after 10, 15 or 20 years, the personal security plan is ruined by some crisis?

[*English*]

Mr. Breitkreuz (Yorkton—Melville): Mr. Speaker, the question could be put to people who put their savings away today. What happens to savings in a bank today if the bank goes broke? I think the hon. member realizes that banks have insurance, that those funds are insured. The system would virtually be no different.

I would like to turn it around. What is ensuring Canadians today with all the deposits they have made to the Canada pension plan that they will get anything? It has been administered by a government that has run the fund virtually into the red. It is over $500 billion in the hole. The liabilities in the Canada pension plan are over $500 billion. That is of a far greater concern than possibly some bank that may go under.

The government can regulate this kind of thing. We are putting the suggestion out there. It is something that can be explored by Reformers and the government.

A much more serious problem is being overlooked, the fact that the government will not meet the commitment it made to senior citizens. Years down the road it will be unable to fulfil its commitment.

Interest at the present time is eating into our social programs to the point where it will not be very long that we will be paying more interest—and it may be at that point already—than we will be getting back in social programs. This is how critical it has become. This is why we need to look at alternatives and this is one alternative that should be seriously considered.

• (1300)

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the introduction of the current Canada pension plan was preceded by an intense discussion over the merit of fully funded rather than a pay as you go social security system

Under the fully funded system Canadians would have paid taxes to the government which would have been forced to make private market investments with the money. The system could never have gone bankrupt and would have increased enormously the amount of savings in the economy and therefore the rate of investment in economic growth.

However, such a funded system would have resulted in unpredictable retirement benefits since the earnings of the funds would have been uncertain. In addition it would have resulted in high costs of portfolio management and a serious concentration of financial powers in the hands of the managers of a very large amount of money.

The Government of Canada decided to adopt a pay as you go system under which continuously a currently working generation is taxed to pay for the pensions of the retired generation. This approach fit well into the political climate of the time when private markets were distrusted deeply and governments could do no wrong. The system also had political advantages. The population was growing rapidly and was expected to continue to do so.

As a result, the tax burden on the relatively large number of working age people was and always would be low to provide the pensions for the relatively small number of those retired. In addition, the government could set guaranteed pension benefits and cover any unexpectedly high costs by raising government taxation rates.

Sophisticated economic and actuarial models showed that in a world of constant population income there would be perfect intergenerational equity as all working contributors to the scheme would receive in return exactly the same amount they contributed.

The Canadian pay as you go system is now in some trouble because the predicted population growth did not take place. Using reasonable assumptions, the unfunded liabilities of the Canada and Quebec pension plans have a present value of $750 billion. In other words, the amount that is promised to be paid out is smaller than the amount to be taxed under current rates. If we sum all of those future deficiency of payments we will come to a discounted value of $750 billion, about the same as the value of our current debt that is so hotly disputed all the time.

In the early part of our next century the working generation may have to pay as much as 15 per cent of its come to pensioners. Other disadvantages of the present system are that it has lowered the private rate of savings and investment in economic growth. Public opinion surveys show that Canadians have become skeptical about their ability to receive promised benefits when they are retired. The ideals of the system for a population free of worries about retirement finances clearly has not been realized.

With this empirical information about the shortcomings of the present system available now, the Reform Party believes it is time to replace it with a fully funded, what we call private security system. Canadians will continue to make mandatory contributions to their retirement savings just like under the present system, with some money coming from their pay and matching funds from employers. These contributions are deducted from income before taxes are calculated. There would be reasonable maximum contributions to prevent use of the instrument for massive deferral by high income earners.

The biggest difference from the current system is every Canadian would have the option to pay these funds to a private trust administered by approved financial institutions, much like they can now under the registered retirement savings plans.

All income and capital gains earned in the private system investments are also sheltered from income taxes. As a result, the average Canadian worker who contributes to such a scheme during their full lifetime may be expected to have accumulated a surprisingly large sum. This is possible in spite of seemingly small annual contributions they are used to now. The power of compound interest working on a tax free income works wonders.

• (1305)

Rough calculations show that persons now 65 who started to work at age 20 and enjoyed average wages and returns on their investments would be the proud owners of a nest egg greater than $1 million today.

The individual Canadian would own this money and all rights to it. Access to it would no longer be subject to the whims of Parliament and other generations. However, because the fund was built with deferred tax obligations provisions have to be made that taxes are paid at some point on the assets.

For this purpose the owners have the same three basic options that exist under the present RRSP system. The entire fund can be turned into an annuity at age 71, permitting the payment of taxes during the remaining years at the relatively low rates applicable to the annual annuity.

Alternatively the funds can be freed from all restrictions on use by paying income taxes in the years it is done. The third option is that funds can be withdrawn at minimum rates that roughly assure the entire amount is depleted at age 94 or one progressively higher in the future as people live longer. Taxes are payable on the withdrawal of funds each year.

The preceding represents my own tentative ideas on the operation of the proposed personal security system. Actuaries, accountants and economists are needed to work out the details and assure the viability of the system.

Much work has to be done to assure the smooth and equitable transition from the present to the new system. I am confident the devil and the detail will not destroy the basic vision. The system can also be used for the tax free use of funds for mortgage down payments, higher education, medical expenses and possibly unemployment.

Such a universally funded and privately administered system would take Canada into the modern age when governments have to accept that socialism and collective approaches have failed. It would increase freedom and economic growth. Get to it, Canada.

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, during this debate members of the opposition have raised many issues arising from the budget, in particular about building an effective social security system for Canadians.

The motion before the House today and pronouncements from the Reform Party indicate one perspective on social programs, a perspective I do not share, one which no one on this side of the House shares, a perspective not shared by most Canadians and certainly not by the constituents in Windsor—St. Clair.

In the federal budget and in the vision sketched out by the Minister of Human Resources Development there is quite another vision. The difference is clear. While Reform rambles on, indiscriminately cutting here and hacking there, the government is taking a thoughtful approach to human resource issues.

The government is turning the page from the strait jacket of rigidly centralized Tory programs. The government is leaving behind the Tories laissez faire approach of writing cheques and to the more Tories the better.

It is an innovation, something Reform does not know much about. It should not be the Reform Party. It should be the regression party. It is innovative in terms of social programs far beyond the simplistic notions of the Reform Party.

In essence the budget reinvents government for the 1990s. These social programs and the budget are built on our belief that Canadians want communities and individuals to have the tools to make their own decisions while ensuring basic principles are in place on a national basis.

It is very important to listen carefully to what Reformers say so that one can compare what they say to the government's vision of social security, peace and good government for this nation.

Here come the guns. This government's approach begins with a focus on three priorities. We want to keep our citizens alive. We do not want them shooting each other. We are concerned about employability. We want to find the best way to combat poverty.

• (1310)

Employability by helping people to find, keep and improve their jobs and skills and the elimination of poverty are our goals.

We have learned there are many ways to achieve these goals. The employment needs of a single parent led family in a housing project in Toronto are substantially different from the employment needs of a family which formerly made its living in the Atlantic fishery. In a country as diverse as Canada, there is no one size fits all, quick fix answer like Reform would suggest.

For that reason provinces and territories are joining us in finding these new answers. They know innovation is not reserved to one level of government in our Constitution. One place that will become clear is the new Canada social transfer. This will shift federal support for post–secondary education, health, social assistance and social services into one package starting in the fiscal year 1996–97.

Currently transfers under the Canada assistance plan come with a lot of strings attached. Strings have become less and less relevant to today's world. We believe some of these strings are unnecessary. We believe they impede innovation, restrict flexibility and increase administrative costs. They also impede regional solutions to very real and very different regional problems.

In short, this cost sharing approach hampers provinces that need the breathing room to design and deliver social programs in line with their local needs.

We believe the provinces share our goals to improve the employability of Canadians and to reduce poverty. What they also want is the flexibility to deal with these problems in a way that responds effectively to people's needs.

Under the Canada social transfer we will allow this to happen while remaining faithful to certain fundamental national prin-

ciples. First and foremost the conditions of the Canada Health Act will be maintained. In other words, universality, accessibility, portability, comprehensiveness and public administration will be respected.

Canadians also do not want to see their mobility restricted because of minimum residency requirements. Beyond those principles but consistent with them always there will be flexibility and partnerships.

The Minister of Human Resources Development will be inviting all provincial governments to work together to develop through mutual consent a set of shared objectives that will underlie the new Canada social transfer. By achieving a coherent framework with provinces and territories we will be able to tackle the core problems of employability and poverty.

This government wants to work with the provinces and territories to increase access to good quality child care. This can help improve the employability of many Canadians with low income. It can offer children a great environment that helps them learn and grow.

We would like to work out better means of helping persons with disabilities to get jobs and to achieve greater independence. We believe provinces and interested groups will welcome that commitment and will help us achieve it.

In these two areas, as in our entire array of federal–provincial relationships, we want to build new partnerships that focus on results and that are grounded in common values.

While that is the government's approach, what about Reform? The record is silent. Reform has nothing of substance to say about any of these issues. Employability? Who knows. Reducing poverty? I think we can guess what Reform's perspective is.

Perhaps I should simply move on to some other subject on which Reform members actually do have a policy. Unemployment insurance is a very good example. Their position is that we should knock $3.4 billion loose from the unemployed by cutting out all special benefits and the interest differences tied to local unemployment rates.

Who would pay? Women would pay. There would be no more Maternity benefits. That is the Reform's idea of a baby gift. Welcome to Newt Manning's Canada, little one. The sick would pay. The sickness benefits under unemployment insurance would be cut out. Under Reform's plan we would have to guess that we might break our leg in advance and save up for it. Welcome to Preston Gingrich's Canada, convalescent Canadians. People in less prosperous regions would pay. Reform wants to see UI entrance requirements that would be sharply higher than they are now to bring them up to the level of the wealthy regions. Welcome to the land of neo–Newtism, unemployed Canada.

• (1315)

Can the UI program be reformed? Absolutely, but this is not the way. The government has been quite clear that we need to move forward from the current unemployment insurance program. We believe it does not do enough to help people get back to work. We believe it can be a far more active policy. We have set a target for program savings of at least 10 per cent.

As the Minister of Human Resources Development has already said in the House, unlike Reform we will not achieve these results at the expense of 165,000 new mothers a year. We will not achieve these results at the expense of 155,000 people who fall sick annually. We will not achieve these results at the expense of 30,000 fishers. These are precisely the people Reform is attacking when it claims saving for a rainy day equals an intelligent social policy.

The same holds true for seniors and seniors benefits. The Reform Party claims there is $3 billion waiting to be plucked from the old age security program. I cannot wait to hear what the seniors I meet for coffee at McDonald's on Wyandotte Street in east Windsor have to say about that.

Like so many Reform proposals, we know the price but it will not tell us what we would be buying. Precisely who would lose their benefits and how much would they lose? Would it be a clawback? At what rate? From what income level? There is no way anyone can squeeze $3 billion from OAS without taking it from the seniors, whom no one would call wealthy.

It is clear from the budget response Canadians support the direction the government has taken very strongly. They see the complaints from the opposition and from some provincial capitals about this new direction for what they are: pure politics, old fashioned politics, politics as usual. Our citizens know, even if some partisan politicians do not, we must build real ways to work together productively. They have no time for transparently obvious grandstanding. They have no time for ideological shell games.

The government is determined to build a better system of social security for Canadians, one which could be sustained financially, one which sets clear goals and one which enlists consistent support to achieve those goals. The government's budget is a blueprint for that system.

At the end of the day we have to wonder which approach is better. Canadians clearly prefer the approach of the government and reject the simplistic, facile approach of the Reform Party.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I have seldom heard as much distortion of another party's policy at one time. The member has done an excellent job of that and I congratulate her if that is her goal. There has not been that much distortion from a single member in a long time.

The member referred to the Liberal budget and how there has been so much flexibility given to programs under the budget. I would like to ask the member how this budget gives flexibility when it will still mean adding $24 billion per year, by the finance minister's own figures, to the debt and when interest payments on the debt will increase to $51 billion per year by the end of the three–year period?

How does that give flexibility to social programs where billions and billions more will have to be taken from social programs to make interest payments? How does that give flexibility if the Canadian economy collapses and we go hat in hand to the International Monetary Fund asking for a loan and it says that we have to get rid of a lot of our social programs, otherwise it will not lend us the money? How does that give flexibility?

Ms. Cohen: Hello. Earth to Reform. Mr. Speaker, Canadians want the deficit handled. They want the deficit managed. We are doing that. We are taking a little longer than Reform would because we do not want babies to starve in the street, we do not want children to miss their education and we do not want old people to not have income support.

Hello. Earth to Reform. This is the real world over here.

• (1320)

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, I have never heard such rubbish.

Is it really an honourable debate of issues when somebody gets up and says the superior Liberal Party doesn't want to kill people and doesn't want babies to starve on the streets? By implication it is suggesting the people on the other side would have policies which deliberately would kill people and make babies starve.

We do not by that kind of debating style advance the cause. Let us understand that all of us wish to have the best for all Canadians. The issue is how do we best get there. Only by discussing the issue of how we get there is any progress being made.

Let me take the issue of unemployment insurance. The hon. member has never read any of the royal commissions made by previous governments, including Liberal, on the examination of the unemployment insurance system. They have universally said that system was created to protect Canadians from the hazard of unemployment. There was never any conception this should be used to pay for people who choose to become pregnant or who are ill, as she noted.

The point is we have different systems for taking care of these things. It is totally inefficient and inequitable to ask some people to pay for hazards for which they are not exposed.

Her calculations on welfare payments are totally off. We are currently paying $20 billion in UI and government OAS benefits to retired people. We are paying $18 billion in CPP–QPP. That is $38 billion.

If $3 billion is cut out of that from the top, the arithmetic shows it is not necessary to go to the lower level. That is the kind of discussion we need, not saying we want to save lives and the other people want to kill Canadians. That is totally inappropriate for the Chamber. It is an indignity.

The Deputy Speaker: I would invite the hon. member for Windsor—St. Clair not to use that phrase, which she has used twice before. It does not contribute to the dignity of the House.

Ms. Cohen: Thank you, Mr. Speaker, for the admonition. Whatever the language, we just heard it. The Reform Party does not want to support women who choose to get pregnant.

Mr. Grubel: That is not true.

Ms. Cohen: The Reform Party does not want to support sick people. That is what I just heard.

Mr. Grubel: Rubbish.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, it is amazing what we are hearing here today.

A prominent politician told me recently that politics—I know the Liberals may not agree with this—is the art of the possible. The member for Labrador told me that. I agree with that statement. Politics is the art of the possible.

The Reform Party has given the House an idea. What we are hearing is the idea being stifled, not legitimate criticism or maybe a suggestion or two to add to the idea, but accusations and fearmongering from the other side of the House. It is unacceptable.

This government has one answer to the problem of poverty and one answer to the problem of people being unemployed. That is massive amounts of government money being thrown at the problem when it is shown clearly that it has not worked.

The government is like a baby. At one end it has a huge appetite and at the other end it has no sense of responsibility.

Ms. Cohen: Mr. Speaker, I am trying to figure out what part of the anatomy is at the other end from the brain where the sense of Reform responsibility comes from.

• (1325)

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I would like to begin by focusing on what we are talking about today. Maybe we could begin by agreeing on the things that we agree with.

We agree that all Canadians living in the best country in the world would expect from their government good fiscal management, so that all of our resources, all of the people with all of their energy, with all of their integrity, would be able to manage their affairs. Those affairs that are managed for them by the government would be done in such a way that the benefits are sustainable.

In my short life I have had a number of occasions where we have been beneficiaries of living in this country. The first one is the privilege of being able to come here.

I am a first generation Canadian but I remember distinctly my grandparents. Long before they passed away, they use to speak of the privilege of being in Canada. They did not want handouts. My grandparents were rugged, self–sufficient individualists. When they immigrated to this country they declined government benefits. They said they will live poorly but they will make it. They did.

I am happy to be in a family that has a rich record of helping other people. It is not true that you can only help people by having the government pluck the pockets of the taxpayers, spin it around in the whirlpool in Ottawa, use up a whole bunch of it for administrative purposes, have politicians and bureaucrats decide of the money that is left who is entitled to it. That is a false assumption, if you stop to think about it.

They have not created any money. They have not created any wealth. All they have done is taken the wealth away from the people, thereby reducing their ability to help those around them in need.

I know of what I speak. I am old enough to remember before all of these programs were in place. I remember as a youngster one of our neighbours was very sadly, suddenly and tragically killed in a farm accident. There was no government program at that time to help the widow harvest her crop.

I remember my dad organizing the neighbours. I was probably only five or six. I still remember that our neighbours went and that lady had her crop harvested first. When that was done, each one of the neighbours went back and did their own. That is the essence of charity. That is the essence of looking after people.

There was a young couple my wife and I were familiar with who did not have regular jobs. They had financial difficulties. They obviously needed a lot more help than just money thrown at them. I am very happy to say that one of the best experiences of my life was I, one of the leaders in the group, got a number of mutual friends together. This man who was in financial trouble, was living in subsidized housing and the rent was high. He said he could get into a housing program if only he could get a down payment. There was a house builder who had really good starter homes, but he did not have the down payment. His payments if he got into it would be less than his rent.

The most fun I ever had was when this small group of us could get together. Some of us made a donation to this. Some of us gave interest free loans. We went to this couple and we said we have arranged for the $6,000 they need as a down payment, let us go and buy the house. That was fun. The couple picked up on that and said that they now had an obligation to pay it back. They became more accountable. It did not take them long to pay back the money some of us had given them as interest free loans.

That really was a good experience. However, that was before the government was taxing us to death. Now we are getting more and more government intervention which prevents us from looking after ourselves.

This plan the Reform Party is promoting today simply says: We reject the premise that the government can look after our long term savings, our long term benefits or our temporary need for assistance when we are out of a job. We reject the premise that the government can do it better than we can ourselves or with the help of someone close to us. It is too far away and too inefficient.

The Deputy Speaker: It being 1.30 p.m, the proceedings on this matter have now expired.

[*Translation*]

The House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CHARITABLE AND NON–PROFIT ORGANIZATION DIRECTOR REMUNERATION DISCLOSURE ACT

The House resumed from February 10, consideration of the motion that Bill C–224, an act to require charitable and non–profit organizations that receive public funds to declare the remuneration of their directors and senior officers, be read the second time and referred to a committee.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, on a point of order. With respect to the motion for second reading of this private members' bill, should the question come to a vote, I think you would find there is unanimous consent to amend the order to read:

> That the bill not be referred to a legislative committee, but to the Standing Committee on Government Operations.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Motion agreed to.

[*Translation*]

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, before speaking on Bill C–224, I would like to take this opportunity to mark St. Patrick's Day and wish all our Irish friends a very happy St. Patrick's Day. I would also like to call your attention to Claude Bourguignon's excellent article published in *La Presse* today on this subject.

Mr. Bourguignon is a resident of my riding of Argenteuil—Papineau. In his paper, he relates the history of the massive presence of thousands of Irish Canadians from coast to coast. Claude Bourguignon is also one of the founders of the Irish Quebecers interpretation centre, located in Saint–Colomban, in the riding of Argenteuil—Papineau.

The principle of Bill C–224, the Charitable and Non–profit Organization Director Remuneration Disclosure Act, introduced by the hon. member for Hamilton—Wentworth is to force non–profit organizations and charitable organizations that receives, directly or indirectly, any assistance from the public funds of Canada to disclose the remuneration and benefits paid to their directors and senior officers.

This means that the remuneration and benefits received by the directors and senior officers of charitable organizations would be disclosed upon receipt of federal government or public funds. This way, Canadians would have the assurance that public funds do not go to the directors and senior officers.

Because it is all too often perceived as a charitable activity carried out on an individual basis and in isolation, volunteer work is overlooked in our political debates on the Canadian economy. However, individual volunteers' efforts are far from negligible given their economic impact. There is an obvious need to promote volunteerism. This essential element of society is also a lifestyle and a social duty.

Yet, in recessionary times, volunteer organizations will have to use other financing methods because government assistance is getting increasingly restricted. It must also be noted that the survival of those services and programs people rely on is not guaranteed.

• (1335)

The old stereotypes concerning volunteers, their activities and their motivation are no longer valid. Today, two thirds of volunteers in Canada belong to the paid labour force and most of them hold full time jobs.

This bill contains a few flaws, however. First of all, clause 3, line 17, reads in part as follows:

and receives, directly or indirectly

This very broad wording could refer to a great many non–profit organizations which do not feel they have anything to do with the federal government. It should simply read, "and receives directly".

Second, the next line reads in part as follows:

from the public funds of Canada

The expression "public funds of Canada" is very ambiguous because it does not specify if these funds are strictly federal or if they include provincial and municipal funds.

The main purpose of this bill is to avoid any possibility of fraud by directors and senior officers of non–profit organizations.

All Canadians and Quebecers alike recognize that volunteerism is a great blessing to society. According to Statistics Canada, in 1987, Canada benefited from the work of over 9 million unpaid volunteers. Their work represented over one billion hours, or an average of two hours per week per job from November 1986 to October 1987, or more than 500,000 full–time jobs for a year.

The three main sectors relying on volunteer work are religious organizations, sports and recreation, as well as education and youth development.

Close to one quarter of male volunteer workers are involved in recreational endeavours, while another quarter participates in religious and educational activities. Women are more likely to do volunteer work with religious organizations, with one fifth of them in that sector.

Overall, 38 per cent of the volunteer work is related to the collection of funds, 36 per cent to the provision of information, and 35 per cent to the organization, monitoring or co–ordination of activities.

It is surprising to see that most volunteers are not older or retired people. Close to half of them are in the 25–44 age group; a little over a quarter are in the 45–64 category, while the others are 15 to 24 year olds. Volunteers in the 25–44 age group hold close to two thirds of the jobs in education and youth development, and three fifths of the jobs in sports and recreation.

As the official opposition representative and critic for issues concerning seniors, I want to point out that volunteers aged 65 and over hold close to one fifth of the jobs related to social services, including health care and support.

Moreover, the majority of volunteers come from middle–income households. Over 40 per cent of all volunteers come from households whose income is in the $30,000 to $60,000 range, 14 per cent come from households with an income of over $60,000, while only 5 per cent come from households whose income is less than $10,000.

Volunteers with a household income of over $60,000 are found mostly in organizations with an economic or international focus, the percentages being, respectively, 19 and 21 per cent. Those with a household income of less than $20,000 are usually in social services and represent nearly one–quarter of all volunteers, which reflects the high ratio of senior citizens in this area.

At least 19 per cent of volunteers in social services are aged 65 and over.

In an article that appeared in *La Presse* on February 6, 1993, journalist Clause Masson discussed the use of funds collected during telethons, saying that if we consider the preparations for a telethon, the need to maintain a permanent staff and also the promotion campaign, the cost of producing this kind of show is enormous and that is where a substantial amount of money collected is spent.

• (1340)

And that is where the organizations that conduct these telethons will have to make some changes. For instance, there is definitely something wrong when a total of $3 million is collected and only 10 or 20 per cent is donated to the actual cause. To make a telethon worthwhile, at least 50 per cent or $1.5 million should go to direct services.

We must keep telethons from being a way for people and organizations to perpetuate the so–called charity business. Just because organizations are not for profit does not mean we should trust them implicitly.

In 1991, Quebecers gave over $400 million to a myriad of organizations appealing to their generosity, that is charities, foundations, church parishes, recreational organizations, etc. Canadians on the whole, excluding business, gave roughly ten times more, that is, some $5 billion dollars, according to the Canadian Centre for Philanthropy. Thus, on the subject of transparency, it would be interesting if the organizations receiving federal government or public assistance were required to reveal the benefits and salaries of their officers.

Canadians could then verify that public funds used to support charitable organizations do not simply go into the pockets of the people administering them. In conclusion, subject to the two points I raised earlier, we would be prepared to support the spirit of this bill.

[*English*]

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, it is a pleasure to speak in support of Bill C–224, an act to require charitable and non–profit organizations that receive public funds to declare the remuneration of their directors and senior officers. My colleague from Hamilton—Wentworth has spent a great deal of time and research on this matter in the interests of deficit reduction and in the interests of the Canadian taxpayer.

Accountability has been the battle cry of the 1990s. We have heard this cry coming from all sides: from business, from special interest groups and most important, from the individual Canadian taxpayer. What this bill does is provide for accountability in the charitable and non–profit sector of the economy, and the very large segment of the economy that it is.

This bill is about disclosure of the real value of non–profit and charitable organizations, not only in the human resource but in financial dollars to the Government of Canada. The people of Canada have a right to know. The reason I believe this is that we rationalize our growth as well as our debt against GDP. Therefore it is very important that we have accurate information on the real value of GDP. It should include the value to the Canadian economy of non–profit and charitable organizations.

This bill is not intended to harm or embarrass anyone. However it is intended to provide transparency and accountability. While Canadians hold their government responsible for its actions, they also trust it to report on all public matters with accuracy, openness and truthful representation.

These same keystones must exist for charities and non–profit organizations which receive public funds. After all, if government is to be fully accountable to the Canadian people and if we are to efficiently execute our mandate as the trustees of public funds, then it follows that we must have complete and accurate reports on where and how public money is spent.

At the present time there is no process in place that will allow for complete scrutiny, at least not without applying to the courts. Even then, full disclosure may not be possible. This problem has been a longstanding one which arises from the Income Tax Act and the legal system.

Neither department can absolutely or clearly define which category charities and non–profit organizations should come under because these groups cross several lines with regard to existence, function and purpose. They function like a business but unlike a business they do not make a profit.

Quite often not for profit organizations make large investments which earn interest or capital gains yet they are not taxed on this money. They have no product or service to offer in the normal sense of the word. However, we have heard the complaint that a not for profit organization will operate a tavern and pay no taxes while a small business person across the street pays taxes on a similar operation. Is this fair competition? Is this a level playing field?

• (1345)

These not for profit groups have a social function to ease or remedy some problems which may exist in our communities or national settings. They receive funds in one form or another, a portion of which are the taxes paid by hard working Canadians. With these funds they run their programs, pay salaries and execute daily business.

As anyone can see, a clear definition as to where charities and non–profit organizations belong is no easy matter. Since the assent of the Income War Tax Act of 1927, the courts have tried but have not yet been successful in absolutely defining any organization which has as its focus the improvement of the human condition.

This special category which charities and non–profit organizations are given exempts them from paying income tax. Yet there seems to be an inequality here. The amount of information these groups must provide to Revenue Canada, which exempts them from tax, and the accountability they have to funding ministries is minimal. Smaller still is the amount of information available to the very people who actually fund them, the Canadian taxpayer.

For example, the public is made aware daily through the press of the salary of every hon. member of the House. They are aware of the tax free allowance and they are bombarded with information regarding the MPs' pensions, all of this rightly so. Would it not seem fair that the same public have access to the same information of high profile heads of non–profit organizations?

One that comes to mind is David Somerville, the president of the National Citizen's Coalition, a non–profit organization. Mr. Somerville does great work on behalf of the public so should they not have a right to know his salary, his pension and his total benefit package?

If Bill C–224 becomes law, within 30 days of fiscal year end there would be full disclosure of salaries and benefits paid to directors and senior officials of these charitable and non–profit organizations.

I mentioned earlier that charitable and non–profit organizations were a large sector of our economy. To demonstrate how significant these numbers are, we know there are more than 130,000 organizations in Canada classified as charities or non–profit organizations. Available estimates show that approximately $120 billion flow through these organizations annually and that $49 billion comes from the various levels of government.

We know these organizations act in the public interest but we also know there is no measurement to gauge the effectiveness of the programs. By anybody's standards, that is a big bundle of money.

Some months ago we read in the newspapers in every city in the country where the Chamber of Commerce in Quebec City gave a gift to the premier of Quebec. The gift was a mansion worth $650,000 and $150,000 worth of furnishings. This was a gift to a politician, to Jacques Parizeau. The moneys that paid for this political gift were moneys claimed as 100 per cent business deductions passed through this Quebec City Chamber of Commerce as donations to non–profit organizations and the Chamber of Commerce bought the house as a gift to a politician.

Does the public not have the right to know how much money is going through non–profit organizations to buy mansions for politicians across the country? Does the public not have the right to know how many politicians at all levels may be receiving financial support or valuable gifts from non–profit organizations? I think most Canadians will agree with me that we have a right, especially since most Canadians are paying their fair share of taxes. In the final analysis, those who are paying are picking up the tab as well for those who are not.

If we are to be the guardians of the public trust and if we are to be fair to all sectors of the economy then I believe we have a great opportunity to at least take a first step toward more fairness with the implementation of Bill C–224.

I come from rural Canada, the Atlantic region, where people are generally very kind, very charitable with their friends and neighbours and very generous with what money they have. In most instances they would give you their last dollar if you really needed it. That is the Canadian spirit. I believe in my heart that with disclosure, the Canadian spirit of giving would be enhanced. The openness of information would generate greater trust and financial support to those organizations that we depend on in our communities and the thousands of volunteers who give so generously of their time and energy.

At this very crucial financial period in our nation's history, when the government has taken unprecedented bold, courageous steps to cut programs, to cut jobs and to cut spending, surely we have that same bold courage to support this bill.

• (1350)

Canadians are generous in their donations and each of us places great value on the work our charities and non–profit organizations do in our communities. However, I am sure that each of us has wondered where exactly the money goes. How much is spent on very high paying salaries and how much really reaches the needs of the child or the researcher for which it is intended?

Bill C–224 provides that information to the public. It provides disclosure. I believe that having full knowledge of where the money is spent, Canadians will be even more generous to the groups that are deemed worthy of financial support. I commend my seatmate, the hon. member for Hamilton—Wentworth, for his foresight, for his diligent research as well as his integrity and determination to do what is right. I believe in times to come this bill may be considered the very most important piece of legislation that comes before this 35th Parliament.

I believe Canadians are ready for this legislation and that the bill is very compatible and may even be considered a companion to the very recent budget bill.

In conclusion, it is my hope that all hon. members of the House will give serious consideration to this bill and offer their full support.

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, it is a pleasure for me to rise to speak on this private member's bill. I would like to congratulate my friend from Hamilton—Wentworth for putting it before the House.

This is a bill which I do not think the Reform Party would have any problem supporting. It is about two things which we feel very strongly about, accountability and public disclosure.

We all have made contributions to non–profit groups and to charities and I am sure that all of us at times have wondered just what percentage of our dollars actually goes to the cause, which was mentioned by the previous speaker. How much of it goes to the cause and how much of it goes to administration and bureaucracy? This bill will go a long way in allaying some of our fears. There is nothing like information to put one's mind at rest. Certainly speculation and fear of the unknown are things which lead to more and more speculation.

While we are talking about accountability and public disclosure, I note that the previous speaker mentioned the pension plan. It was my understanding that there was great difficulty trying to get the record of who had received parliamentary pensions in the past, the amounts and also the amounts which were put in by the member and the amounts which were paid by the taxpayer. Perhaps a companion bill sometime down the road, along the lines of public disclosure and accountability for publicly paid pension plans, would be a great idea as well.

I have to make apologies to my research assistant, who actually wrote two speeches for me today, but I am using neither of them. I send my apologies to him.

Mr. Mills (Broadview—Greenwood): It sounds pretty good to me.

Mr. Johnston: I hope it sounds good to my research assistant too, who should take some solace in that.

I am sure that most people in the House realize and recognize that Reform MPs are making considerable donations in their constituencies, as a percentage of their income, to charities. We are all fairly well versed in the charities that are available in the community. As the previous member also said, this is intended in no way to call into question the good which these charities and non–profit organizations do.

• (1355)

As a matter of fact, I could see this as being an augmentation to the good they do. If too much of their collected funds actually do go to administration and so forth, then I am sure the people who have volunteered many hours to ensure these organizations and charities are a success would be very disheartened to learn of exorbitant salaries and fees paid to board members and executives.

I do not intend to take up my full time on this bill. A few words are as good as many words in a case of this type.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, until the member for Kent comes back into the Chamber I would like to stand and support my colleague for Hamilton—Wentworth.

This bill is an example of how a member of Parliament can come into this Chamber and with proper research support, with a very specific idea and with a lot of hard work can put something on the national agenda which touches every community, every city, every part of our country very positively. I salute my colleague for Hamilton—Wentworth for this tremendous achievement in bringing the bill this far.

In regard to a specific aspect of the bill, this type of accountability for Canada's not for profit sector is going to create internal efficiency within these organizations. We have all read stories from time to time where various organizations have been accused of being too heavy in administration with not enough going to the line after the administration expenses have been accounted for. It casts aspersions on the organization because it cannot put all of its books and records into the public. It also does not allow the not for profit organizations that are acting efficiently to make their performance record open to the public.

This bill will achieve a renewed interest in the volunteer sector. We will be depending upon that sector more and more as we move into a very difficult period in terms of fiscal discipline. The organizations which are operating efficiently and which are meeting their constituents' needs are going to be rewarded by those in our society who appreciate that type of efficient volunteer service.

I thank my colleague and give him my full support.

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I support the hon. member for Hamilton—Wentworth's bill as well. Listening to the previous speakers, I heard the member for Cumberland—Colchester say that it could become the most important piece of legislation during this session. The member for Broadview—Greenwood said it was a magnificent achievement.

I am looking for words to give it even more applause but unfortunately, I cannot reach that high in my praise for this bill. However, to compliment the hon. member for Hamilton—Wentworth, I will say it is a good bill. It is a very necessary bill and certainly I and my colleagues of the Reform Party have no problem supporting it.

• (1400)

When Reformers came to Ottawa we said we would not be here on this side of the House simply to criticize the Liberal government. The way it has turned out in this 35th Parliament we have not had much choice but to criticize. The Canadian people who tune in to what is happening in Parliament will know that whenever we criticize we do at the same time offer constructive alternatives.

This is one of the times when we really do not have to criticize this bill because quite frankly after all the exhaustive research we have done on it we really cannot find too much wrong with it bill. I want to the let the House know that while the member for Hamilton—Wentworth and his research assistants have done exhaustive research to define the bill clearly, we have done exhaustive research to determine whether this was a good bill or not and indeed it is.

We basically want the non–profit organizations and the charity organizations to become more accountable in their bookkeeping primarily so we can find out what the leading members of the organization are getting paid for their services.

We know the Government of Canada contributes a lot of money to non–profit organizations, special interest groups. Of late we have had examples where expenses have been seen to be exorbitant because of the lack of accountability in how these expenses are reported. We have seen many cases where these special interest groups and non–profit organizations will skip some of the lines on the income tax return and just put in a lump sum showing lump sum salaries paid to some of the top people in the organization. This will do away with all that. We are going to get more accountability.

When I am talking about accountability I have to hold the member for Hamilton—Wentworth blameless in this because he seems to have a good understanding of what accountability means. I would encourage him to apply the same principles he did to this bill to his conversations with other members of the Liberal Party. What the Reform Party came here to do was to demand accountability from the government.

The hon. member for Hamilton—Wentworth appears to have a pretty good handle on accountability. In supporting this bill I want to encourage him to talk to as many of his colleagues as he can so that we may finally get some accountability from the government as we go forward in the 35th Parliament.

We support this bill.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, it is a pleasure and an honour to speak in favour of the motion.

A couple of things have come to mind in the last few minutes while I have been listening to the other speakers. I would be remiss if I did not add to the commendation of the hon. member who has proposed this bill. I have had the privilege of working with him in the Bill C–43 committee. It is a very healthy sign and gives me a little glimmer of hope that perhaps there are some Liberals who do believe in accountability. Sometimes we get the impression that is not there.

The hon. member was instrumental in adding to the strength of Bill C–43 in a couple of areas, in particular disclosing. When lobbyists receive government funds they must now disclose it. I believe disclosure is the first step to elimination of receiving the funds.

The best legislation in the House seems to come from private members. It is really the only time when we have this large envelope of unanimity. Perhaps we ought to consider changing the rules of the House and have government business the last time of the day on Friday and have private members' bills the rest of the time. Perhaps we would be able to change the system.

• (1405)

I commend the member on this principle. It is close to my heart because I believe strongly in charities and the work they do. I also believe in accountability. If it were not for that I would not have come here as a member of Parliament. That was one of my prime motivations.

I remember listening to my son whom I have mentioned before in the House. He is currently working as an administrator in an orphanage in Rwanda for a charitable organization. He and his wife are helping to look after some 400 children whose parents were killed in the unfortunate occurrence there. My son has been doing this type of work for five or six years, having been in Somalia, in the Sudan, in Bosnia and in other areas. He made a statement that I thought was very significant. He said that in the areas where he has worked the non–government organizations, the NGOs, are about twice or more as efficient as government organizations.

He talked about salaries. When he goes there he basically gets an expense allowance and that is about it. Whereas other people who are supposed to be helping receive huge salaries. He said he could not believe it. I will not mention the organizations because that would be unkind since they are not here to defend themselves. After working over there for five or ten years some of the people he mentioned will come back to Canada with a pile of wealth in their accounts because they were not spending it over there.

A charitable organization has potential for the greatest accountability. The whole idea of bringing the good we do to help people down to people and away from government needs to be strengthened. That will happen if we open the accountability and the desire of organizations to be open and honest with the people that support them.

In my experiences I made it a policy many years ago of not supporting private charitable organizations that will not open their books. In some instances I have actually written and and said: "Please send me your annual statement for last year. If it is not audited by an independent auditor I will probably not help you". I believe in that principle and it ought to be applied right across the board.

It is refreshing to see it being done in this area of tax expenditure. I say in the very best sense I can that I wish the hon. member for Hamilton—Wentworth would spread this virus of accountability throughout his caucus so we can infect every agency of government with total openness, total accountability and total declarations of how much money was received and how it was spent.

I am pleased to have spoken in favour of the motion. I certainly will be supporting it.

The Deputy Speaker: Under the circumstances the hon. member for Hamilton—Wentworth might wish to close the debate.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I wish from the bottom of my heart to thank my colleagues on all sides of the House who spoke in favour of the bill.

All things aside I believe the bill is important and will have a profound effect on Canadian society in what it proposes to do. For me as a member of Parliament the experience of presenting the bill to the House and having the support of my colleagues on all sides fills me with great pride in this 35th Parliament.

[*Translation*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

The Deputy Speaker: Accordingly, this bill is referred to the Standing Committee on Government Operations.

(Motion agreed to, bill read the second time and referred to a committee.)

[*English*]

The Deputy Speaker: It being 2.10 p.m., the House stands adjourned until Monday at 11 a.m.

(The House adjourned at 2.10 p.m.)

HOUSE OF COMMONS

Monday, March 20, 1995

The House met at 11 a.m.

Prayers

[*English*]

POINT OF ORDER

RAIL STRIKE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, in light of the very serious rail strike that is currently tying up the rail system in our country, I seek the unanimous consent of the House to introduce a bill, notice of which was given Sunday morning by means of a special Notice Paper, entitled an act to provide for the maintenance of railway operations and subsidiary services.

I seek the unanimous consent of the House to permit the bill to be introduced and given first reading at this time.

Mr. Speaker: My colleagues, I wish to inform the House that in accordance with a representation made by the government, pursuant to Standing Order 55(1), I have caused to be published a special Order Paper giving notice of introduction of a government bill. In just one moment I am going to lay upon the table the relevant document.

However, I have a point of order from the member for Kingston and the Islands. Is there any comment? I invite comment only for the reason that I thought the hon. member for Laurier—Saint–Marie was rising to his feet before I put the question. There being no comments, is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Speaker: Unanimous consent is not given for the introduction of the bill at this time.

PRIVATE MEMBERS' BUSINESS

• (1105)

[*English*]

GRAIN EXPORT PROTECTION ACT

The House resumed from March 2 consideration of the motion that Bill C–262, an act to provide for the settlement of labour disputes affecting the export of grain by arbitration and to amend the Public Service Staff Relations Act in consequence thereof, be read the second time and referred to a committee.

Mr. John Maloney (Erie, Lib.): Mr. Speaker, I have the honour and privilege today to speak to a bill introduced by the member for Lethbridge. The bill seeks to make it illegal for anyone, employee or employer, to cause any cessation of work at any stage of the progress of grain from the premises of the producer of the grain to export.

It should be obvious that the bill would affect a large number of Canadians, indeed everybody who comes near the grain, from the farmer who grows the grain to the trains and ships which carry the grain. It would directly affect my riding of Erie whose economy includes the entire spectrum from grain production to the marine industry.

I wish to focus on one aspect of the bill and what it brings to the labour relations atmosphere with the government's own employees. That is the provision in the bill which would amend the Public Service Staff Relations Act by adding new criteria, limiting the right to strike.

The bill seeks to add to the Public Service Staff Relations Act in section 2 and subsection 78(1), words which have the effect of prohibiting employees from engaging in any strike activity in areas related to "the orderly progress of grain from the premises of the producer of the grain to export".

When the Public Service Staff Relations Act was introduced almost 30 years ago, legislators included a unique concept to labour legislation. This was the notion of designating employees as essential and denying them the right to strike. That is to say that employees whose duties included functions which were performed in the interest of the safety and security of the

Canadian public, those employees could not engage in a strike. If one was to search the Canada Labour Code or other labour codes, one would not find many examples of such a concept.

In my opinion, this is a good, reasonable and justifiable concept. Employees of the federal government and numerous other federal institutions should not be in a position to withdraw services which would cause harm to the safety or security of Canadians.

This provision has stood the test of time. When public servants engage in strike activity, a number of their colleagues continue to work and provide essential services to the public. The last public service strike provided us with many examples of this provision.

Both air and marine search and rescue operations continued. Ice breaking continued. Mariner's charts and maps continued to be produced and updated, and the all important function of providing notices to shipping carried on. As well, the fisheries patrols were maintained and employees involved in this function continued to provide a service to the public.

Air operations continued and airport facilities were maintained. Weather observations continued. Forecast were prepared and communicated to users. Of great comfort, notification bulletins affecting aviation safety continued to be produced and disseminated.

Naturally prison guards and correctional services are deemed an essential service and continued to perform their tasks. All those employees, including those who provide care and security for inmates, medical care, food, heating and all those functions necessary to maintain the system, continued to perform their duties.

Health care was maintained by designated employees in such areas as poison control, hazardous product identification, medical support at federal hospitals, ambulance drivers and dental and chronic care in isolated areas. Also designated were some employees who were involved in research related to health care which used laboratory animals.

Essential to Canadians, income security programs such as UI, family allowance and the Canada pension plan continued. This included the processing of new claims as well as issuance of benefits.

Employees involved in customs and immigration control remained on the job. Included among these essential jobs were employees responsible for the primary inspection of meat and fish products imported to Canada.

Not surprisingly, the provisions of the Public Service Staff Relations Act also preluded those involved with national security from striking. Included among these were the civilian and federal employees who provide support to RCMP operations.

Of interest to members, parliamentarian operations were designated an essential service. *Hansard* continued to be printed, along with commission reports and other parliamentary publications. As well, simultaneous translation services continued to be offered.

These are some of the examples of services considered essential for the safety and security of the public, and for which the public service employees could not withdraw services.

The central theme throughout this list is: these services are essential for the safety and security of the Canadian public. It is evident that the current provisions of the Public Service Staff Relations Act have by and large served the Canadian public well. By tinkering with these provisions and including the notion of economic hardship in the grain industry, are we trying to fix what is not broken?

It is an unfortunate but accepted reality that strikes will cause inconvenience and maybe even economic hardship to some. If we are to accept that employees have the right to strike to put pressure on their employer, then we must accept the results. If it is our view that strikes should not cause hardship to anyone, then it is my suggestion that all strikes be declared illegal.

• (1110)

This bill starts along this road. It is heading toward a destination that can only bring grief to employer–employee relations in the country. I would not argue that the movement of grain is not important to Canadians. Obviously it is. However, I do not believe that the production or movement of grain is essential for the security of the public. The movement of grain is, like many other commercial activities, an important economic activity in the country.

If we were to introduce the idea that there can be no strikes or lockouts in the grain industry which sector would be next? Is it the auto industry? Is it the shipping industry? How about forestry services? In certain sections of the country ore production is extremely important. Should we consider banning work stoppages there? If we are to use economic criteria I am confident that every member of the House could cite an enterprise worthy of consideration for a bill such as this.

I would like to remind members that in many jurisdictions police are given the opportunity to withdraw from their jobs. Medical practitioners and teachers also have this ability.

As I mentioned, if we accept that employees have the right to strike and to exert pressure on their employer, then they must be permitted to do so. The introduction of a provision in the Public Service Staff Relations Act prohibiting strikes in one specific area, be it grain handling or some other industry, begins to erode this right. Employees either have the right to strike or they do not.

The provision restricting the right to strike in the federal public service to those performing services essential for the safety and security of the public is a restriction but I think it can be reasonably argued. In addition, this provision has been in place for almost 30 years and still allows the public service employees to withdraw services. As we saw during the last public service strike, employees still have the ability to exert considerable pressure on the employer.

Seeking to expand restrictions to cover economically important services, first one and then many other industries or activities, will ultimately remove the right to strike effectively.

I can envisage the time when any strike which puts any pressure on any employer or others will then be proposed for exclusion under public service staff relations and the Canada Labour Code. Legislators will slowly and painfully remove the right to strike from any employee as a means of exerting any pressure at all. Is this what our country has to offer its workers and its representatives? I think not.

The introduction of further restrictions to the right to strike will, without any doubt whatsoever, worsen labour relations in the country. As we all know, these relations are already strained. It is my personal belief that after a number of years of difficulty it is time for all parties to labour relations to bring a positive and constructive approach to them for the future.

Times are changing and everybody must change with them. I do not feel that the way to begin a positive and co–operative renewal of labour relations is by introducing legislation which begins to erode what labour considers a basic right. If we are going to give labour the right to withdraw services in order to exert pressure in collective bargaining, then we must allow this withdrawal of service to have some effect. We either fish or cut bait. To carry the analogy further, we cannot tell employees that they can fish but they cannot have worms.

I am sure the member for Lethbridge did not intend anything sinister but was simply advancing a proposal which would protect the interests of the grain industry and this is to be commended. However, I believe the results of considering this bill cannot but lead to other interested parties looking to protect another and then another and no doubt an important industry through labour legislation. While the reasons for desiring protection from strikes or lockouts are noble in themselves, we must look at how we propose to do this and the results such a proposal would bring.

In conclusion, while I agree with the member that the grain industry is important to Canada, as are many other industries and activities, I cannot accept the notion that Parliament legislates protection at the expense of the rights of other Canadian citizens. Despite what I believe are good intentions, the results would be inappropriate and I cannot support the bill.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, I listened with great interest to what the hon. member had to say, and I realize that the grain industry is very important to the Canadian economy and to western Canada in particular. But I would like to say that grain is surely not more important than the lives and health of our fellow countrymen.

• (1115)

But people's lives and health, and these are under provincial jurisdiction, can also be affected by a labour dispute. What was the best solution found after a lot of research and trial and error? In order to strike a balance between the right of workers to strike and the priority right of individuals to health and safety, it was determined that the best solution was to establish the principle of essential services. Essential service does not mean the right to strike is taken away.

Those who dream of the day there will be no more strikes should realize that taking away the right to strike does not guarantee there will be no more strikes. In fact, history has shown that before the right to strike existed, there were many, extremely rough strikes, for the simple reason that there was no legislation. The strikes were there before the right to strike. If we want labour relations to be more harmonious, if we want grain and health to be priorities, we must ensure that labour relations are more conducive to dispute settlement.

We must not forget that, especially at a time when for more than ten years, in many cases, workers have had to tighten their belts, make all kinds of concessions and pay more and more taxes, when the economy starts picking up, these workers would like to have their modest share, at least. We must not forget that in this country, we see executives of private companies getting outrageously high salaries and benefits, although they are hardly as productive as Japanese companies. In Japan, the gap between the salaries or incomes of executives and employees is much narrower than in this country.

We cannot afford an economic model where executives can earn whatever they please and workers will just have to tighten their belts and watch others take their share of the profits. We must not forget why we have labour legislation. We have labour legislation because we had to deal with the flagrant injustice that existed at the time. And if we think that bringing all this back will lead to prosperity and harmonious labour relations in this country, I have got news for you. It will not happen.

The Deputy Speaker (Mr. Kilgour): As we are at the beginning of the week, I would ask each of you, in so far as you can, to co–operate and always address your remarks to the Chair.

Mrs. Lalonde: Clearly, I could not use these words in reference to you. This is not news for you, because you already know full well that this sort of unfair situation cannot be allowed

to develop so blatantly on the assumption that the workers alone will always be asked to contribute an ever increasing share.

Today, tomorrow and in the coming days, we will be talking about railway workers. We will see that they too, with each successive collective agreement, have had to forgo working conditions they previously enjoyed. This is the truth. They have done so in order to take refuge in what they considered essential in a time of unemployment—a sort of job guarantee.

• (1120)

And now, because the employer is not budging—and we will have to see what the government does in this—we are about to see these workers as well lose some of their working conditions.

As regards this particular bill, I understand and I share the desire for harmonious labour relations. However, when it is unreasonably assumed that the right to strike may be withdrawn without provision being made for sufficient means to settle working conditions, I do not expect grain transportation to be harmonious and secure. This will not be the case. History has shown us that this has not been the case in the past; it will most likely not be the case in the future.

I would add, particularly since the government has not seen fit yet to propose anti–strikebreaking legislation, which would allow re–establishment of a balance of power. If we want to establish labour relations, and in the area of essential services as well, which permit a balance—and not only the appearance of a balance but real healthy labour relations—attention must be paid as well to the balance of power. Many provinces have a provision for this, and it has proved its worth.

As for our case, the work that remains to be done at the federal level to ensure labour relations that permit public enjoyment of the services they are entitled to, but without the cost of the cuts we must face being passed on to the workers concerned, will involve paying greater attention to finding this balance. This is the only way to ensure that the same protection accorded to grain in Canada is accorded to health and life in the provinces.

[*English*]

The Acting Speaker (Mr. Kilger): To meet the test of fairness and the spirit of fairness I must humbly submit that I failed to recognize the proper sequence of speakers, not having taken into account all the speakers who spoke previously in this debate.

For the next two interventions I will go to the Reform Party if there are two speakers. Then I will be back on track.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, today, March 20, 1995, marks a very troublesome day for those who depend on the railways and for those who must use the port of Montreal to get their products to customers.

Canadians are feeling the full effects of strikes and lockouts, and back to work legislation for the railways is in the works. We have been in this situation before. Last Wednesday we sat late debating Bill C–74, back to work legislation to settle the labour dispute on the west coast.

A little over a year ago we also debated back to work legislation with Bill C–10 to handle a similar dispute which lasted for 12 days.

Unfortunately these are not isolated incidents. Canadians have felt the effects of similar disruptions many times. I believe 13 have ended with back to work legislation in the past 30 years.

Unless both sides in the CP Rail dispute can reach an agreement some time very soon, we will be debating back to work legislation again today, tomorrow or soon.

I find it ironic that components of the grain handling and transportation system are consistently treated as essential services when work stoppages occur. I am here today to ask the government not to provide essential service legislation. I am asking the government to carefully consider the very positive impact of Bill C–262; the impact it would have in ameliorating recurring problems between labour and management.

• (1125)

Currently there is no effective collective bargaining taking place between labour and management. Both sides know they can depend on government to legislate them back to work. Let us not pretend we have productive collective bargaining taking place right now. We do not. Let us end the charade and do what Reformers called for in last year's emergency debate and what the hon. member for Lethbridge is currently calling for in his private member's bill, Bill C–262.

Bill C–262 provides a tool for both labour and management to prevent these disruptive and expensive work stoppages which affect people all across the country when they occur. The current work stoppage at CP Rail and at the Montreal port would not have happened if Bill C–262 were in place. These disruptions in grain handling and grain movement and in the movement of other goods must not be allowed to continue.

The collective bargaining process must be allowed to work where it can work. In the vast majority of cases, in situations between labour and management, they do reach agreement and the process works fairly well. In other cases the process does not work well. When this happens labour and management both lose. Unless an agreement is reached the operations will close down.

The case of grain handling and shipping is unique. It is unique because the cost of a disruption can and will be borne by farmers in three ways. First, added costs cannot be passed on to the consumer because farmers are price takers in a very competitive marketplace. Second, there is a loss of revenue in present sales

and, more important, in future sales through the loss of long term customers. Third, farmers have no real alternative. They have no way to get around the system. They must ship through the rail transportation and grain handling systems currently in place. They cannot choose to use another system which is offered by someone else because it does not exist.

That is why work stoppages should not be allowed in the grain handling system. I hope the hon. member for Mercier will now understand why stoppages in the grain handling system are so important and why they are every bit as important as the welfare and health of members of labour unions. The welfare and health of farmers is directly affected by these work stoppages. This is coming from someone who has lived and worked in agricultural communities through these disruptions over the years.

The extra stress caused by farmers being deprived of income makes one of the most dangerous businesses in the country today even more dangerous. By allowing these disruptions to happen continually farmers' health and welfare is affected every bit as much as members of the labour unions. I hope the member will now understand that the concerns of farmers and the stress and the danger to their health are every bit as important as that of labour union members.

How do we deal with the situation in a way that is fair to labour, to management, to the all too forgotten party, grain farmers, and alfalfa shippers and other shippers? Bill C–262 provides a solution through final offer selection arbitration. This process is triggered upon request by one party if the parties concerned are unable to reach an agreement through the collective bargaining process. The key features of this process as outlined in Bill C–262 are as follows.

The trade union and employer are requested to provide the minister with the name of a person they jointly recommend as arbitrator. The trade union and employer are required to submit to the arbitrator a list of matters agreed on and a list of matters still under dispute. For disputed issues each party is required to submit a final offer for settlement.

• (1130)

The arbitrator then selects either the final offer submitted by the trade union or the final offer submitted by the employer. In the event that one party does not submit a final offer, the other party's offer is automatically accepted. The arbitrator's decision is binding on both parties.

As you can see, final offer selection arbitration does not prevent the collective bargaining process from following through to a conclusion. It simply speeds the process up. However, it does prevent the very few from doing unacceptable damage to so many.

There are the other workers and the loss of work and income for the other workers shut down by the stoppage. There are the other businesses involved in grain handling and movement. There is the damage done to business enterprises and Canada's now faltering reputation as a reliable grain exporter. There are the farmers who must shoulder most of the costs for short and long term damage resulting from lost markets. They have no way of passing those costs on to the consumer or of recouping those losses.

Legislation that provides a long term solution to this problem should have been passed years ago. In this regard I would like to pledge continued leadership by Reform members of Parliament in continuing to press for long term solutions to this and similar problems in the grain handling system.

We cannot afford to have disruptions continue in the grain handling and transportation systems. I am asking for support for Bill C–262. Indeed in the past, several members of the government side and others have provided support for final offer selection arbitration.

I do not have time to read all the quotes, but these quotes are from the Minister of Agriculture and Agri–Food himself, and the Minister of Human Resources Development, and from the chief commissioner of the Canadian Wheat Board, Lorne Hehn. He stated that the grain industry cannot afford any more strikes and lockouts and said: "We cannot afford to shut down a multibillion dollar industry for the sake of a few people. I think that we have to do something about this situation".

Mr. Hehn went on to state that he would favour a first offer selection. "If an agreement could not be reached through the collective bargaining process," he said, "I think that would bring people to the table in a more honest fashion. We could settle these things without shutting the system down". I believe this first offer arbitration is much like the final selection process we are proposing here today.

The senior grain transportation committee voted on October 14, 1994 to support a system of final offer arbitration. It is down in black and white from members of this government.

The most effective way I can present the importance of stopping these disruptions in the future comes from farmers. My father lived through these disruptions in his farming career and each time I saw the stress and the pain. I know the hurt that caused him and his neighbours. As for myself, in my farming career I have lived through several of these disruptions. I know the pain and the loss these have caused my neighbours and myself.

Finally, I would like to stress that it is not only labour unions that are being tough on this issue. Farmers have threatened in the past—and there could come a time when this will happen—to take over the process of grain movement in any way they can on their own. Farmers will not let these disruptions continue indefinitely. They must stop. I encourage this government to

support Bill C–262 to ensure this is the end of these disruptions in grain handling and grain movement.

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Mr. Speaker, I am very proud and honoured today to rise in this House and give my full support to Bill C–262 which was presented by the hon. member for Lethbridge.

The timing of this particular debate in the House is absolutely perfect. We are sandwiched between back to work legislation which occurred last Wednesday and certainly the potential of another forthcoming round of back to work legislation in the rail industry. We could not have asked for a better time to talk about this ongoing problem which has occurred many times in the history of western Canada as far as the agriculture business goes.

• (1135)

Today I would like to do something just a little bit different. Rather than dwell on how the innocent third party is affected by this proposed legislation, I would like to look at all aspects. I would like to look at how this would affect labour and management and also of course, how it would affect the third party, in this case, the shipper.

I want to talk about how this would affect the shipper in this case. In my position I am most familiar with how it would affect the agriculture industry in Saskatchewan particularly in Moose Jaw—Lake Centre.

I want to look back at the labour dispute in Vancouver a little over a year ago. We looked at something like 11 days of tie ups. The grain industry never recovered all summer from that labour dispute. I know that firsthand. I live about two and a half miles from the grain elevators in my home town and our community never recovered and Saskatchewan never recovered from that short labour tie up.

I also looked at some of the evidence I received in the last few days. There is a statement from Mr. Blair Wright of Olds, Alberta, an alfalfa dehydrator. He said that his company was just beginning to make inroads to Japan. He estimated that he lost $500,000 in revenue during that shut down in Vancouver last year.

He also said that the Japanese businessmen he deals with stated they cannot understand why Canada allows such destruction of its export business. Mr. Wright is obviously concerned that he will lose his Asian markets entirely for this emerging product. He also stated that the American ports on the west coast are actively promoting their continuous delivery to Asian markets. The port of Vancouver has the potential to lose major customers if this government does not take legal means to prevent further labour disruption.

I also talked to alfalfa dehydrators in Saskatchewan last week. They told me that a labour dispute of one week is an annoyance. A labour dispute of two weeks inflicts serious pain on their industry. Anything longer than a two week labour dispute is a complete disaster to the industry.

With regard to things like canola prices, although they may not be directly affected, on Monday, March 13 the price of canola was $9.44 in my hometown. By Wednesday morning it had dropped to $9.20, a drop of some 24 cents. Is that directly related to labour problems? Perhaps some of it could be related.

Having said that, I look at the innocent third party, the shipper. I know this piece of legislation would do the job to alleviate those types of problems and frustrations. I look at labour and the unions. There have been arguments in this House that it is not fair to labour to have final offer selection. I do not agree with that. I see what long term labour disputes do to labour. I have seen it in my home area of Moose Jaw.

There have been two major strikes at Moose Jaw Sash and Door. The people were on strike or locked out for more than three years. The company ended up closing its doors. Did that help labour? No.

Moose Jaw meat packers were on strike for some 18 months recently. I had the opportunity to drive by their strike location many times. These people were playing horseshoes and cards because there was no work to do. Did that help those people? No. The labour dispute did not solve one thing for labour in that instance. I talked to many people on the line. They were willing to go back to work. They wanted to go back to work, to some real work. There is no way in the world they could ever hope to recoup any of the financial loss they faced by being out on strike for so long.

Looking at that, labour is in a no win situation. In a discussion paper written by Mr. Errol Black and Mr. Jim Silver, they quote the idea of final offer selection. They say: "The fact is that final offer selection is aimed at a real need, namely, the problems of workers in weak bargaining units".

• (1140)

They go on to say: "Final offer selection provides such workers with an alternative to strikes which they have little chance of winning. Any repeal of final offer selection", which by the way is in place in Manitoba, "and this problem—unionizing and winning gains for workers in weak bargaining positions—will remain". This is more evidence that long labour tie ups have a harmful negative effect on workers.

I want to talk about management, or the businesses and companies. When they face long term labour disputes either by strike or lockout it really disrupts the orderly flow of any product. Again, in this case I look at agriculture products from Saskatchewan to either Vancouver or Thunder Bay. When we see

a tie up like that, there is no way in the world to recoup financially those losses faced in a very short period of time.

I look back to last year's labour dispute and remember talking to people in the grain industry. They said there was no way in the world they could catch up to what they had lost in a very short time. Those effects are felt immediately.

I spoke earlier about the labour dispute at Moose Jaw Sash and Door. That company was locked out and on strike for so long that it closed its doors. The company is no longer in existence. Did that solve any problems for the good of business? I do not think so. That is why we have to look at some alternative to bring this thing together so that we do not have these problems as time goes on.

If we talked to all three parties we could sell them on the idea for final offer selection and for this bill. In my mind, as a farmer from central Saskatchewan, as my colleague mentioned before, I have seen the effects firsthand of these types of labour disputes. We never recover from them.

My colleague across the way said we cannot call this an essential service. I am not calling it an essential service, but it is essential to the livelihood and future of those people in my province. Their financial lives, perhaps not their physical lives, depend on getting their products from their farm gate to the port. That is the way we do business in Saskatchewan. That is the way we make our living. If that is interrupted then it is essential in my mind because it has a very far ranging, serious effect on my livelihood.

In conclusion, again I would urge all members of this House to support this legislation. It is the first real positive step I have seen since I have been in this House to eliminate a big, broad problem with a wide ranging approach, a fair approach and an approach that makes a lot of common sense to me.

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, it is my privilege and pleasure to rise this morning and speak on Bill C–262 which is before the House. As a former member of a trade union for many years, I find it interesting that this bill would be put forward at this time, although the issues before us are very serious.

The bill calls for amendments to some sections of the Canada Labour Code which impact labour dispute settlement mechanisms. Specifically, the title of the bill states that it is intended to provide for the settlement of labour disputes affecting the export of grain by arbitration and to amend the Public Service Staff Relations Act in consequence thereof.

I strongly suggest the bill is not appropriate both in the legislation and in its timing as it would introduce an unfortunate mechanism. The government is currently in the process of making unprecedented changes to the grain transportation system which will have far reaching effects, rather than bringing yet another complex mix and not bringing about the change we are looking for.

• (1145)

This is not the way we want to solve the problems we are experiencing in the grain handling system. It is important to note that we already have the means to alleviate the problems. Recently introduced legislation meant that dock workers had to return to their jobs in Vancouver and grain and other shipments were moving.

The issue demands more than just a temporary measure. The labour minister has introduced a commission to study labour relations at established ports. The commission will look into the long term solutions to this dispute and similar ones in the future. The commission, I should add, is only part of the government's ongoing efforts to streamline Canada's grain handling system.

These problems do not go unnoticed. As a result the Minister of Agriculture and Agri–Food on May 16 gathered a group together to examine many of the issues. The group was formed to look at short term grain movement, the problems of long term resolution and of recurring difficulties. It included labour unions representing the grain handling and transportation system.

The movement of grain is not done in isolation by any one collective workers group. That is why the team approach has to be taken. For further proof we need only to look at the records or the grain shipments to many terminals in this crop year.

We recognize that we have had labour problems in the past with grain handling. I believe the way to resolve the problems is not by providing arbitration to prevent strikes and lockouts. Rather labour must be productive and constructive and become a partner in developing an effective process for the movement of grain.

There is no doubt that it is a serious problem. We are prepared to respect the collective bargaining process to promote co–operation between the parties in a dispute either through mediation or conciliation.

My colleagues at human resources development have indicated that 90 per cent of collective agreements referred to conciliation are resolved without a work stoppage. In instances that result in negative impacts on entire sectors the government has demonstrated as recently as in the past week it is prepared to step in and break deadlocks. As such there is no need to introduce amendments to the Canada Labour Code. If we look at the experiences of countries in which compulsory arbitration is widely practised we see that strikes continue to occur.

Grain transportation is a very large and very complex industry involving numerous trades. For instance, 12 companies are operating terminal elevators, 14 companies are operating transfer elevators and 19 elevator companies are in the prairies. In addition we must add the two major railways that move our grain products by vessel to the Great Lakes and to our external ports.

Are we prepared to remove the collective bargaining rights of all these people? There is an enormous degree of complexity and we understand the concerns of all. To single out one group of men and women, the vast majority of whom have never had an industrial dispute through Parliament, strikes me as less than fair. Co–operation is the way to establishing partnerships fundamental to the economy and the well–being of society.

The adoption of Bill C–262 is not likely to produce results even close to what is desired. Rather I would suggest members support the efforts currently under way to reduce problems in our grain transportation system.

It is fundamental that changes have to take place in the western grain transportation system. These changes were recently introduced in the federal budget. They will create a less rigid and more responsive operating environment in which a faster, lower cost and more efficient system may evolve, the benefits of which will be shared by all.

Therefore, for all these reasons I do not feel I could support introduction of new legislation at this time.

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, let me start by pointing out that I think it is important to put into context the whole debate about back to work legislation, the shutdown of the railway system and best offer arbitration.

Let me do so by pointing out that Canadian farmers are probably the best farmers in the world. They are the most productive and the most efficient. If it were just on that basis they had to make their living everything would be fine; they would be extremely prosperous and the country would benefit as a whole. However there are all kinds of other issues that raise their head and stand in the way of farmers actually being able to earn a proper living.

One of them is the trade war that seems to be ongoing with the U.S. and Europe. At the same time we have huge government debts and deficits that contribute to high input costs, high taxes and high interest rates which all conspire to make it very difficult for Canadian farmers to compete particularly against Americans.

Meanwhile we have farm institutions like the Canadian Wheat Board and the transportation system that are in desperate need of reform. There is tremendous pressure on the wheat board to change, not only from Americans, our competitors, but from inside, from people who actually support the wheat board. They want to see change. The hon. member for Vegreville has been at the forefront of pushing for a democratic wheat board elected by farmers and with farmers on the board. That makes sense to me.

I want to talk for a moment about the history of the transportation system in Canada. Even when it is not shut down by a strike it is at best inefficient and slow. I do not know how many calls I have received over the last year and a half from people asking: "Why are there no cars at my elevator? What happened to my grain as it disappeared down the track?"

We need Bill C–262. There is no question in my mind. It is one thing the government can do to bring to an end the problem we face today. As fate would have it, we are debating Bill C–262 on a day when we have a rail strike in the country. It will also provide a long term solution.

I encourage the government across the way to set aside partisan differences, to consider what is for the greater good and to consider farmers across the country. Actually the unions and the employers will benefit by this type of legislation, by best offer selection arbitration. We encourage the government to set that aside and to join with Reform today, the hon. member for Lethbridge, to bring the whole issue to an end by supporting Bill C–262 and by bringing some sanity back into the transportation system.

The Acting Speaker (Mr. Kilger): It being 11.53 a.m., pursuant to Standing Order 93, the time provided for debate has expired. Accordingly the question is on second reading and reference of Bill C–262. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

(The House divided on the motion, which was negatived on the following division:)

(Division No. 169)

YEAS

Members

Ablonczy	Benoit
Brown (Calgary Southeast)	Cummins
Forseth	Frazer
Grubel	Hanger
Hanrahan	Harper (Calgary West)
Harper (Simcoe Centre)	Harris
Hayes	Hermanson
Hoeppner	Jennings
Johnston	Kerpan
Mayfield	McClelland (Edmonton Southwest)
Meredith	Mills (Red Deer)
Morrison	Ramsay
Ringma	Scott (Skeena)
Silye	Solberg
Speaker	Thompson
Williams—31	

NAYS

Members

Augustine	Baker
Bakopanos	Bernier (Beauce)
Bethel	Bevilacqua
Blaikie	Bodnar
Boudria	Brien
Bélair	Bélanger
Calder	Catterall
Cauchon	Chrétien (Frontenac)
Clancy	Collins
Copps	Cowling
Crawford	Deshaies
DeVillers	Dhaliwal
Dingwall	Discepola
Duceppe	Duhamel
Dupuy	English
Fillion	Flis
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gagnon (Québec)	Gerrard
Godin	Goodale
Graham	Grose
Guay	Harb
Harvard	Hickey
Irwin	Jacob
Jordan	Keyes
Landry	Lastewka
Lavigne (Beauharnois—Salaberry)	Lefebvre
Leroux (Shefford)	Lincoln
Loney	Loubier
Maheu	Maloney
Manley	McKinnon
McWhinney	Milliken
Minna	Mitchell
Murphy	Nault
Nunez	O'Brien
Parrish	Paré
Peters	Phinney
Pillitteri	Richardson
Robichaud	Robillard
Rompkey	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Sheridan	St-Laurent
Steckle	Stewart (Northumberland)
Telegdi	Thalheimer
Vanclief	Venne
Walker	Wood
Young —91	

PAIRED MEMBERS

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bouchard
Canuel	Caron
Chan	Crête
Culbert	Dalphond-Guiral
Daviault	Debien
Easter	Fry
Jackson	Lavigne (Verdun—Saint-Paul)
MacLaren	Peric
Simmons	Szabo
Tobin	Ur
Volpe	de Savoye

• (1220)

The Acting Speaker (Mr. Kilger): I declare the motion negatived.

GOVERNMENT ORDERS

[*English*]

BUSINESS OF THE HOUSE

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, the paralyzing effect of the national railway strike requires urgent action by Parliament. Pursuant to Standing Order 53, I move the following:

[*Translation*]

> That the forty-eight hours' notice be waived in order to permit the Minister of Labour to introduce immediately a bill entitled an act to provide for the maintenance of railway operations and subsidiary services; and
>
> That the House not adjourn this day except pursuant to a motion by a minister of the Crown.

[*English*]

The Acting Speaker (Mr. Kilger): Debate is allowed for a period of not exceeding one hour.

[*Translation*]

Mrs. Robillard: Mr. Speaker, I would like to give members of this House the background which I feel is important regarding the negotiations in the railway labour dispute. As you know, most of the collective agreements, with very few exceptions, expired on December 31, 1993. Therefore, we have been without collective agreements per se since December 31, 1993, and negotiations have been ongoing.

We have tried to help the parties to find a solution. First, a conciliator was appointed, and then, in November 1994, my predecessor, the Minister of Human Resources Development, appointed a conciliation commissioner, Mr. Hope, to work out a solution with the parties. He submitted his report to the parties in February 1995.

• (1230)

Since then, negotiations have continued, but they have been strained, and, as you know, the unions decided to concentrate their efforts on pressuring Canadian Pacific. Fortunately, last week, three unions, representing approximately 3,000 people, reached an agreement in principle and Canadian Pacific was able to continue all of its other activities.

Unfortunately, last Saturday, there was a full work stoppage at Canadian National and VIA Rail. Following this work stoppage, I called all of the parties, that is the three companies and the union representatives from these companies, to a meeting. I met with them yesterday afternoon and I asked them to resolve all of the issues in dispute, or, at the very least, to reach an agreement

on the process which will lead to a solution to the dispute, which will be binding on the two parties.

I told them that the current government has faith in the collective bargaining process and, therefore, that we would regret being obliged to step in if the parties were unable to reach an agreement. I even advised them that it would be in the best interest of both parties, as much the companies as the unions, to agree at the very least on the process to be used to resolve the dispute, which would be binding on both of them.

Unfortunately, the parties did not come to an agreement, so that we find ourselves in this House at 12.30 p.m. on a Monday without any CN or VIA Rail services in operation as we speak, although some operations are still under way at CP. Even though some operations are affected, some others are still being carried out.

What is the impact of a complete work stoppage as we speak? Let us first look at the VIA Rail situation. The impact on the majority of passengers using VIA Rail services is, I think, quite obvious. I would remind the members of this House that VIA Rail serves at least 500 communities from coast to coast, which means that all its passengers have been paying the price since Saturday, especially those who commute to work by train. This morning, we witnessed the possible consequences for the population, especially in densely populated urban areas.

True, there are other means of transportation but when we look at what is happening, for example, around Toronto and Montreal, it is clear that not all passengers can be accommodated by public bus or even private car transportation. On this Monday morning, all these passengers, all these people were penalized by the work stoppage. I think that we should allow VIA Rail workers to go back to work as soon as possible, so that these people are no longer penalized.

• (1235)

It is true that the situation is different at CP Rail. Canadian National is not an operation serving the public but rather providing transportation services essential to the Canadian economy.

Needless to say this will have tremendous financial implications for the various train transportation users and industries that ship their goods by train. Many Canadian industries depend on the railway system. The impact of this withdrawal of transportation services may vary from industry to industry depending on the availability of alternate means of transportation.

Of course, bulk commodity shippers in general—commodities such as sulphur, potash and grain as well as mining companies, major electrical household appliance manufacturers and car manufacturers—are the main users of the train system. Many transport companies and associations, including the Canadian Industrial Transportation League, the Canadian Wheat Board and several car manufacturers, have indicated that a prolonged work stoppage would be extremely prejudicial to their operations.

It is clear that at the industry level, in various sectors like Western grain, this work stoppage may have a very major economic impact. As we speak, we are told that Canadian National is losing between $9 million and $10 million per day.

We can see right away how serious the situation is and how it can compromise this country's credibility as a reliable supplier, even on the export market. The impacts are tremendous. On the one hand, you have impacts affecting the public at VIA Rail and, on the other hand, economic impacts for several industries.

While we regret having to bring in back–to–work legislation—I repeat, regret, because we continue to believe that a negotiated settlement would be better—the government must assume its responsibilities and take action. That is why I hope that the opposition parties will realize what is at stake and give consent so that we can debate this bill today.

The Acting Speaker (Mr. Kilger): I simply want to clarify a point. Pursuant to Standing Order 53, the debate may not exceed one hour. No member may speak more than once, nor longer than ten minutes.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, the Bloc Quebecois is opposed to passing that legislation today. We are aware of the impact of a work stoppage in a sector such as railway operations. The minister said that Canada must be a reliable supplier and she also pointed out the economic consequences of such a conflict. However, she did not say anything about the plight of those who—and they did not do it for the fun of it—had to walk out under very unpleasant conditions.

• (1240)

As far as I know, Canada has a labour code. If back–to–work legislation is tabled every time the Labour Code is invoked by workers who have no other means to negotiate a settlement, this means that the mechanisms required to ensure strict and fair labour relations do not exist.

What this bill really does is prove the employers right. I wish that were not the case, but just take a look at the newspapers and read the recommendations made by commissioner Hope, who reviewed the issue. He says that the employers were very uncompromising and that, in fact, the unions' demands were never taken into consideration.

It is very easy to speak against a given union or union member. However, let us not forget that company managers and

executives often enjoy personal benefits, salaries, bonuses and stocks which do not make any sense and which do not exist in other countries. I always think of Japan, where the gap between employers and employees' salaries is much narrower than it is here.

Canadian workers are in a difficult situation. No one mentions the fact that, over the years, they waived many rights to preserve a single one: the right to a job. It is important that these workers can tell all Canadians that they made concessions, but that they are not prepared to lose the essential in an industry which needs skilled workers.

It is important to remember, although this is not necessarily popular, that workers have acquired certain rights and that, at the very least, they have the right to exercise this kind of pressure—not an easy thing to do—to show that they exist and to avoid being crushed by the system.

I would have liked to hear the minister talk about people. If the government decided to intervene every time certain behaviours were found to be harmful to the economy, it would often have cause to do so, not only in labour disputes. It would intervene in the case of companies whose practices do not promote productivity. Workers are not pawns, they are people. If a company is to be productive, workers must have working conditions that reflect a minimum of fairness, otherwise the cost will be far greater than that of a strike that does neither party any good.

• (1245)

Yes, some workers are on strike, but others have been locked out. And others were swept along because they refused to cross picket lines. All things considered, we are not very happy about the situation.

However, this does not mean we should deny these workers their rights. Canadians should at least be told about the conditions they gave up for the sake of one, and that these workers should have access to a fair and equitable settlement. Today, we should confirm their right to use pressure to defend their position and to engage in free collective bargaining. Otherwise, if employers can always count on the government to deal with their problems, they will never agree to a fair settlement.

Sure, they have certain constraints. Sure, these constraints are genuine. But in a situation like this, there are always two parties, and employers cannot take the position that only their interests should guide Parliament and the government. For these reasons, because we want to encourage free collective bargaining, because we want workers to be able to stand up for their rights and because we want Parliament to respect its own legislation—I am referring to the Canada Labour Code—we will not agree to fast tracking this legislation today.

[*English*]

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, it is a pleasure to speak today. The whole transportation system in Canada being tied up is a matter of pressing concern.

These services are never considered to be essential until after the services are withdrawn. We are not talking strictly about a strike. We are talking about a work stoppage. A work stoppage can be brought about whether it is a strike or a lockout. Whenever I refer to this situation I am talking about the work stoppage. People will understand we have work stoppages taking place in two separate areas. One is the withdrawal of services and the other is an area where the people are actually locked out.

These work stoppages result in a lot of lost jobs. My friends in the government party have campaigned vigorously on restoring jobs. This is certainly an opportunity for them to put up in this case, put their best foot forward and come up with legislation that will put these people back to work.

This is a stop gap measure. This is not a solution for the long haul. My party has been encouraging the government to come up with some long term solutions. For labour and management to have the possibility of back to work legislation constantly a threat they do not exactly sharpen their pencils and come to their best position. A case in point is where we have these contracts expiring up to 27 months before the actual work stoppage takes place. That is not collective bargaining at its best. That is not the process working.

In the House on March 3 I asked the minister what she was prepared to do in order to come up with some long term solutions. I was assured the collective bargaining process was working wonderfully and could expect it to work that way in the future.

• (1250)

Obviously it has not. Here we are once again trying to get unanimous consent from the House. I hope we do so we can get the parties back to the table, the rolling stock moving on the rails again, the passenger trains running again and the freight moving to its customers. That is of utmost importance. It is not just that we are looking at losses to farmers. We are looking at losses to farmers, huge losses, but there is a great spinoff of lost jobs as well.

Once these jobs are lost it will be impossible to get them back. Once the buyers of our services and our goods have decided they can get them from other sources it will take a lot of negotiation and a lot of proving that we will not put up with this kind of labour disruption in the future to prove to them that we are a reliable supplier of goods and services.

The people in the Bloc seem not to support the notion of introducing this legislation. It is of utmost importance to introduce this legislation today. I call on my colleagues from the Bloc to give their consent to this legislation so that we can debate it properly and get the parties back to the table and the freight moving again. To do otherwise is partisan politics at its worst, not looking at Canada's overall benefit.

Our colleagues in the Bloc could easily dismiss this as one of Canada's problems. After all, their ultimate goal is to separate from Canada. They could implement any kind of labour legislation they like. I would plead with them to support the introduction of this legislation today.

I assume me colleagues in the NDP will not support the introduction of this bill today. It would be extremely difficult for them to justify to their constituents how they could hold up a bill for another 48 hours which would effectively bring to the market the goods their constituents are producing. This is an extremely costly situation. It is not just the direct jobs, but the spinoff jobs. The long term effect of this has not been addressed.

Many customers of Canada's goods in the past have put up with disruptions of this type and are counting on back to work legislation. If this is not dealt with, to get these people back to the table and to get these parties talking again and the stock moving at a reasonable pace, our customers will say this is the last time they are prepared to put up with this kind of here today, gone tomorrow freight service. They will start looking for alternate routes to ship their goods.

Mr. Lorne Hehn, chief commissioner of the Canadian Wheat Board, said we cannot afford to shut down a multibillion dollar industry for the sake of a few people. These services are never considered essential until after they have been withdrawn. Suddenly these are essential services.

When will this government come up with legislation to deal with these problems over the big picture, rather than this crisis management attitude?

• (1255)

At the moment crisis management is something we must consider in order to get us over this hump. I implore the government to come up with similar legislation to what it so very efficiently defeated here, presented by my colleague in Bill C–262.

The senior grain transportation committee voted on October 14, 1994 to support a system of final offer arbitration for all labour negotiations affecting grain movement. I have heard some of my colleagues in the Bloc say this effectively bans the collective agreement process. This is absolutely ridiculous. It is an augmentation to the collective bargaining process. This is not something imposed on the partners in the collective bargaining process from on high. It is something either one of the parties can invite.

It induces those parties to come up with a reasonable offer, their best offer to begin with. Instead of having negotiations or pseudo negotiations for 27 months, as in the case of one union, they could get their heads together and figure out their final position and present that position to begin with, rather than to parley back and forth for 27 months without getting anywhere.

This is a controversial bill and some of my colleagues in the House are philosophically opposed to having this bill presented. I implore them to allow it to be presented. I passionately ask they allow first reading of the bill so we can at least debate it and get it on the floor of the House where it belongs and to do what we can to begin to replenish or regain our reputation as a reputable supplier of goods.

[*Translation*]

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, I would first like to thank the Reform Party members who have already indicated they would further support this bill. I would ask the Bloc Quebecois members to think a bit before maintaining the position they have taken.

I could talk to you today of the disastrous effects this crisis is having on large businesses such as General Motors, Hoechst Canada, Canadian Celanese, Ford and others, but who in this House is speaking on behalf of all Canadians, not just those in my own riding, who have no means of defence?

As we talk, Canadian National is, to all intents and purposes, closed down; so is VIA. Canadian Pacific is operating at barely 85 per cent capacity.

With each hour we waste, the impact grows more serious. Certain grain exports have frozen. Last week, the minister tabled a bill for a return to work in the port of Vancouver. It seems to me that the political stand taken by the Bloc Quebecois members will hamper the settlement of this dispute and an eventual return to work.

With the tabling of the budget, last week, I got barely one phone call in my riding. With this dispute, however, which has gone on for months already, I have received calls from all sorts of people, including ordinary businessmen and businesswomen who are unable to go and collect the raw materials they need and whose business, therefore, could well close tomorrow, because the production line is stopped. It seems to me the problem is serious, serious enough for us to give thought to it and to put an end to the dispute.

• (1300)

Bloc Quebecois members accuse us of robbing these people of the right to negotiate. The bill that we are introducing today does not, as they claim, violate their freedom to resolve this dispute, when we consider that they have been trying to work their problems out for fifteen months now. It is true that they were

unsuccessful, however, this bill does not rob the various parties concerned of their freedom to go back to the bargaining table.

The minister herself made many personal attempts. Last night, she met with the three unions. Last night, the three parties admitted themselves to the media that they have come to a dead end. Is it advisable to wait another day or two? Is it advisable, as the New Democrats and the Bloc Quebecois advocate, to vote against this bill simply in order to forestall the inevitable?

[*English*]

I would like to speak for the average Canadian who is affected, whether as a commuter on the Rigaud line or the Deux Montagnes line to Montreal, who relies on the rail service to get to work every day and who does not have the benefit of a second or a third car. Who speaks for them? Who speaks for the small entrepreneurs who are trying to get their imported goods off the docks in Montreal?

It is very easy to convene a press conference when you are General Motors or Ford Motor company. It is for those small business people that I feel we have to solve this problem.

It is true this has a tremendous economic impact, not only for the large rail companies but for the local economy in the Montreal area for which I speak with great vigour. The port of Montreal has paralysed shipments and the railway has paralysed shipments across Canada. I take my hat off to the Minister of Labour who has only been here a short while but has certainly been indoctrinated very quickly. She has done an excellent job and has introduced two very difficult measures.

As the minister said in her preamble, as a government we would have preferred not to introduce back to work legislation. It is always more desirable when both parties can agree. But both parties have not been able to agree. They have been trying for almost 15 months.

I would like to quote a report in this morning's *Gazette* by the federal conciliator, Mr. Allan Hope, who is quoted as saying: "All three railways have tabled extremely controversial and provocative demands that they see essential to their financial health and viability". He wrote in February: "It would be difficult to conceive of an bargaining initiative more likely to provoke an impasse". The parties have tried. Right now we are at a standstill. It is not going to get any better.

From talking to various people and watching television reports yesterday with stranded commuters about the threat of the possible shutdown of suburban railways, people will have more difficulty getting to work. I would ask all members on both sides of the House to support legislation so we can adopt it as quickly as possible.

It may not solve the deep rooted, underlying problems in the railway industry which we have discussed before. But I hope that despite this return to work legislation that all parties on both sides will continue to try to solve the long lasting dispute, put aside their differences for the betterment of the country, for the establishment of a reliable service that Canadians, importers and exporters, that small as well as large businesses can rely on. We do not have a law—

[*Translation*]

—like we have in Quebec, an act on essential services. It would be ideal if the federal government had similar legislation, but it does not.

• (1305)

For example, when there are municipal disputes, basic services still have to be provided.

[*English*]

In this case we cannot provide a reliable service where there is ongoing, continual labour conflicts. It puts in jeopardy not only the economic viability of the country but the local economy as well. The local economy in Montreal has suffered enormously.

[*Translation*]

In closing, I would like to ask my colleagues from the Bloc Quebecois to reconsider the impact which this dispute has already had and will continue to have on the province of Quebec and on the Montreal region especially and perhaps decide to vote in favour of this bill.

[*English*]

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, I would like to register my objection to the process that is unfolding here this morning. I do so on the basis of the fact that the government has had an alternative in this regard for some time, ever since its election in October 1993. The government could have been moving on the policy front toward a transportation system or policy which would have reassured people working in the railways that there is a future for them and the railways in this country.

If rail workers had that assurance and did not feel that in some ways the rail industry was not targeted for total extinction or anything quite like that, but nevertheless not being enhanced by the appropriate policy decisions and therefore suffering over time continuous decline, then perhaps rail workers would feel more confident in their negotiations with the company in the context of negotiations about job security and employment security and a variety of other things. Because they feel that one decision after another seems to point to an increasing downsizing and diminishing of the role of rail transport in our overall transportation policy they are obviously not willing to accept that when push comes to shove it is their particular economic self–interest that has to be sacrificed.

I will go back to something I said last week when we were debating back to work legislation. If there was a capital strike in this country, as there sometimes is in various ways, would we have an emergency debate? Would we have an emergency motion? Would we have long and sober debates on trying to make capital pay attention to the national interest and to the needs of the Canadian economy? It would be quite the contrary.

We are forever exalting such decisions as good business decisions that we have to somehow appease, the decisions that investors make, money speculators make, currency traders make or others make when they do not take the national interest into account and when they do things that destabilize the economy, put people out of work or advocate a high real interest rate policy that maybe causes people to lose their homes. All kinds of things happen because of the decisions that other people make in their economic self–interest and we simply say: "That is the way it is. That is the marketplace. That is life so get used to it. Let us see if we cannot do something to give these people what they want so they will not make these kinds of decisions".

When working people strike we see how important they are to the economy, do we not? The whole thing depends on day after day people getting up and doing their jobs, whether it is running trains, maintaining the tracks or whatever the case may be. But when working people strike all of a sudden the full force of the law is brought to bear on them.

• (1310)

Opposition members of Parliament are expected to walk freely into the tent, consult with the government and then do whatever the government wants them to do. Two weeks ago if I had had an opinion on railway concerns I might as well have spoken it into the great white telephone, for all the attention I would have received from the government.

Now the government wants me to agree. Now it wants workers to agree. In the meantime it has no qualms about getting rid of the Crow rate, or deregulating, or privatizing CN or doing all kinds of things like that. That is okay.

It is in protest of that and not just on some kind of a principle having to do with back to work legislation that I object to the process this morning.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, since I am a former FTQ trade unionist, I must rise to tell you that compulsory back–to–work legislation does not solve the problems. I was active in the FTQ for 19 years. Despite the many laws passed at both the provincial and federal levels, the problems continue to exist and sometimes even get worse, because this is not the way to resolve labour relations problems, especially since this goes against the principles adopted by the government and supported by both union and management.

The right to negotiate, which has been recognized by the International Labour Organization, the Government of Canada, the provincial governments, the employers and the unions, must be fully exercised. I think that until now, the unions did not have the opportunity to negotiate with the employers. I think that the companies have acted in bad faith toward the employees in these negotiations. The companies have tried to dictate the issues to be negotiated, to impose their strength and arrogance on the unions. The unions are not responsible for the negotiations dragging on, because it is the companies that want to go against the basic principle of job security.

No union or employee in the world can say yes to employers who want to cut thousands and thousands of jobs in an attempt to make mobility one of their labour relations goals. Workers want a certain level of job security and some protection with regard to their job descriptions. Of course, all strikes present disadvantages, but the right to strike is a universal right which is exercised in every country, including the U.S.

Disadvantages are part of the rules of the game which, again, have been recognized by international organizations, the employers, the government and the unions. I was surprised that the minister would make a speech on her bill but not say a word about the workers' legitimate demands or to condemn companies for trying to impose their views knowing that the government will protect them, this Liberal government is behind them.

We want these 7,000 workers on strike or lockout to also be afforded representation, to have someone speak on their behalf in Parliament. That is what we, the Bloc Quebecois, are doing and we do not want to debate this back–to–work legislation today. Even Commissioner Hope said, in his report, that the companies did not bargain in good faith. He did not use these very words but when he said that the companies are trying to impose their own agenda and ignore union demands, that is what he meant.

• (1315)

I am surprised that the hon. minister did not say a word about labour relations in the rail transportation industry, not mentioning that problems exist and that the government has neglected to deal with them because the collective agreements expired on December 31, 1993. That is why I fully support the remarks made by our critic in this area, the hon. member for Mercier.

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I am delighted to stand in support of the government on this measure.

It is very interesting that we should get this impassioned defence.

An hon. member: Why did you not vote on the other bill?

Ms. Clancy: I did not vote for that bill because this is a much better bill. If the member will read them both, he will see it. Perhaps that may be a difficulty for him.

At any rate, with regard to this legislation and the response of the official opposition, Her Majesty's Loyal Opposition, may I say that it is very interesting. I stand here as the member for Halifax, the city with the great port which needs the railway to ensure that the port continues to bring prosperity to the people of the metropolitan Halifax area, to Nova Scotia and to Atlantic Canada.

It is very interesting that we hear from the members of Her Majesty's Loyal Opposition all this rant about the workers. The hon. member for Bourassa who just spoke chose to come to this country and we are so glad he did. While we are glad he chose to come here in one way or another, the answer too is that he obviously chose Canada because of the way we do protect workers but we protect the peace, order and good government of this country as well.

A rail strike such as this is not the kind of protection or the kind of activity that means this country will continue to be prosperous. Look at a few of the things that are taking place because of this industrial action.

There is the loss of $10 million per day to Canadian National alone, a permanent loss of rail traffic to truck, therefore sapping the financial viability of our rail system. As one of the members opposite actually said—and I agree, do not faint—once these jobs are gone, it is very difficult to get them back. There is also the adverse image of Canada as a reliable supplier to world markets, Japan, for example.

As I said before, the problems of the ports and most particularly the port of Halifax in my estimation is something we could no longer let go by the boards.

May I offer my congratulations to the Minister of Labour who has certainly come through in an amazing way. She has had her baptism by fire as a new member in this House. We on this side are very proud of the minister. We want to congratulate her. I certainly want to congratulate her on behalf of my constituents and the people of Nova Scotia.

She has been a lucid voice in an otherwise overly emotional debate. The minister stood up this weekend and prior to it and asked people to do the right thing, to think of the country as a whole and to come back to the table. Only when all else failed did she say that the answer was back to work legislation.

The minister met with representatives of all companies and unions to urge them to resolve their disputes, or at least to agree on a binding process to resolve their disputes. When the parties reported that they were unable to reach such an understanding, when they reported that collective bargaining negotiations had reached an impasse, she knew that nothing could be gained by further delay.

Most of these collective agreements expired on December 31, 1993, well over a year ago. For some others it was as long ago as December 31, 1991. Extensive federal assistance has been provided to the parties including the assistance of conciliation officers and a conciliation commissioner. The process has been going on for well over a year.

• (1320)

This government acted and will continue to act in the best interests of the people of Canada. It does not act with a hidden or secret agenda. It is absolutely necessary that the railway business continues, that it goes on for the proper commercial work to be done in this country. Whether one lives in my riding of Halifax with a port, or anywhere across this great country, the railway has been and will continue to be an absolutely essential link in the commerce of Canada.

To do this is not in any way, shape or form—as has been suggested in a manner I find distasteful—contrary to the interests over the long term of Canadian workers. It is not so and cannot even for a moment be considered to be so because the health and prosperity of this country is the first and foremost concern of this government, beginning with the Prime Minister and working down to everyone who sits on this side of the House.

Action on the railway bill is absolutely urgent because CN is shut down, VIA is shut down, and CP is operating at 85 per cent capacity or less. The impact grows with every day and every hour. That impact is bad for every Canadian from coast to coast.

Grain shipments are compromised. Auto plants depend on just in time deliveries that will not make it. Layoffs can be expected to start today. That is not very good for the workers of Canada. I would like to know what my hon. friend on the other side would say to that.

Raw materials movement will be minimal while this goes on. As I said before, our reputation as an exporter is at stake. That is certainly not good for anyone who works in this country, be it someone who labours in the particular field or be it a member of Parliament. People are affected, especially commuters around Toronto and Montreal. With 50,000 who use commuter rail every day, the result is traffic chaos in two of our major cities.

Is there any value to waiting any longer? The process between the parties is at an impasse. Negotiations, as I have said, have gone on in the shortest of cases for over a year, in the longest for over three years. There have been conciliation officers and a conciliation commissioner. The minister has listened and has

made a decision. The government and members on this side of the House support her decision and we will continue to do so.

This is an absolute necessity for the people of Canada, for the health of this country. I am proud to stand and support this legislation, to support this government, and most particularly to support our newest Minister of Labour.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, I am somewhat disappointed by the hon. member's comments to the effect that the member for Bourassa was not born here, but came to Canada later. She wondered if he was aware of the working conditions here.

I believe he was very aware of those conditions; in fact, he probably knows them better than she does. It is deplorable that such a distinction be made by a member of this House.

As regards the port of Halifax, I want to point out that the Bloc Quebecois took the same stand in the case of both Vancouver and Montreal harbours. I did not hear the hon. member allude to the port of Montreal, where a lockout has been in effect for some ten days now. Is this because it was just fine with the people in Halifax? Some of her Liberal colleagues told me: the strike or lockout in the port of Montreal can go on because, in the meantime, Halifax is doing very well. Things were going well, but this is no longer the case.

In Montreal, the union proposed to go back to work if a mediator was appointed. Last Wednesday, the labour minister promised that such a mediator would be appointed, but she has not done so yet. Part of the problem in Montreal is that one employer, Calmar, which belongs to CP, refuses to let normal activities resume in the port of Montreal.

An hon. member: Is that so?

• (1325)

Mr. Duceppe: Yes, they are opposed to the resumption of normal activities in the port, something the longshoremen are prepared to do with a mediator. It has been 20 years since there was a labour dispute in the port of Montreal. A tradition of good bargaining. At Canadian Pacific, the current attitude to labour relations has been to take a hard line and let labour disputes fester without resolution and then ask for special legislation.

I heard the chairman of the Quebec Liberal Caucus say earlier: "But there are no essential services". And why not? Do you know why? Because there is no anti-scab legislation. There are no anti-scab provisions in the Canada Labour Code. This government came to power a year ago. It promised to introduce legislation but it never did. It was in favour of such provisions when it was in the opposition but not any more. We have seen nothing so far. Sure, a working paper was distributed with several proposals for anti-scab legislation where it would take 60 per cent and scabs would become legal. Quite something. They call it anti-scab legislation, but they would allow scabs under this proposal.

One last comment, since my time is almost up. I agree there may be emergencies and I agree that from time to time we may have to consider legislating workers back to work. But after 15 hours, in one case, and 24 hours, in the other? Let us get this straight: Either they have the right to strike or they do not. If we want no more strikes, we should pass legislation accordingly, but we should not give the parties the impression that this right exists—if they have that right, they should exercise it—while resorting to special legislation. We cannot have it both ways. Either the right to strike exists and it may be exercised, or it does not. Let us stop resorting to special legislation. Let us put our cards on the table and be logical instead of pretending to support public service employees during the election campaign and then doing what they are doing now.

This party talks like the New Democratic Party during the election campaign and acts like the Progressive Conservative Party once it is in power. That is the Liberals for you.

[*English*]

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I was not proposing to take part in this debate. However, since there is time, I am quite happy to say something in response to the ridiculous comments we have heard from opposition members as to their excuse for not supporting this urgent and important legislation that really should be dealt with in this House.

Many of my constituents are gravely inconvenienced by this strike. They are more than just inconvenienced. The question which arises in respect of this strike is the economic loss to our country as a result of the failure to ship the things that have to get to port to be exported from Canada. This country is going through an export boom. To have a serious disruptive strike, whatever the problems that may have arisen to cause it and whatever the reason, is a serious economic loss to Canada at this stage in our economic cycle.

The Minister of Finance recently tabled a budget. Clearly, the success of that budget depends in part on the export growth that is booming in Canada today and which should be supported by every member of this House. We have an obligation to see to it that Canada's prosperity is not obstructed by some serious work stoppage which is preventing one of the most important things in our country, that is, exports which are going on at this moment and every hour of every day. They are being blocked because the opposition is unwilling to bring an end to this strike through some lawful means.

We proposed a fair solution to it. Members may not like it but it is a fair solution. Opposition members know that perfectly well, yet they persist in obduracy and say they will not allow us to change the rules in respect of this bill. They allowed the rules to be changed last week and I grant that, but they will not do so with respect to this bill to ensure that these people are put back to work so that jobs are not lost to Canadians.

We believe in creating jobs in this country. That is part of the philosophy of the Liberal government. I am surprised the opposition does not share that philosophy. One of the ways we create jobs is by exports. This strike is stopping exports. It is costing Canadians jobs. We should end it right away and the faster the better. The opposition knows it perfectly well.

[*Translation*]

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 53, the period of one hour has expired.

It is now my duty to ask all members who object to the motion to rise.

And more than 10 members having risen:

The Acting Speaker (Mr. Kilger): Ten or more members having risen, pursuant to Standing Order 53, the motion is deemed to have been withdrawn.

(Motion deemed withdrawn.)

* * *

• (1330)

BORROWING AUTHORITY ACT, 1995–96

The House proceeded to the consideration of Bill C–73, an act to provide borrowing authority for the fiscal year beginning on April 1, 1995, as reported (without amendment) from the committee.

Hon. Alfonso Gagliano (for Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.) moved that the bill be concurred in.

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

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

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

(*Division No. 170*)

YEAS

Members

Adams	Augustine
Axworthy (Winnipeg South Centre)	Baker
Bakopanos	Bellemare
Bethel	Bevilacqua
Bodnar	Boudria
Brushett	Bélair
Bélanger	Campbell
Catterall	Cauchon
Chrétien (Saint–Maurice)	Clancy
Collins	Copps
Cowling	Crawford
DeVillers	Dhaliwal
Dingwall	Discepola
Duhamel	Dupuy
English	Fewchuk
Finestone	Finlay
Flis	Gagliano
Gagnon (Bonaventure—Îles–de–la–Madeleine)	Gerrard
Goodale	Graham
Gray (Windsor West)	Grose
Harb	Harvard
Hickey	Irwin
Jordan	Keyes
Kilger (Stormont—Dundas)	Knutson
Lastewka	LeBlanc (Cape/Cap–Breton Highlands—Canso)
Lincoln	Loney
MacLellan (Cape/Cap–Breton—The Sydneys)	Maheu
Maloney	Manley
Martin (LaSalle—Émard)	Massé
McKinnon	McLellan (Edmonton Northwest)
McWhinney	Mifflin
Milliken	Minna
Mitchell	Murphy
Murray	Nault
O'Brien	Ouellet
Parrish	Peters
Phinney	Pillitteri
Proud	Reed
Richardson	Robillard
Rompkey	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Sheridan	Speller
St. Denis	Steckle
Stewart (Northumberland)	Telegdi
Thalheimer	Vanclief
Walker	Wood
Young —93	

NAYS

Members

Ablonczy	Benoit
Blaikie	Brien
Brown (Calgary Southeast)	Bélisle
Chrétien (Frontenac)	Cummins
Deshaies	Duceppe
Fillion	Forseth
Frazer	Gagnon (Québec)
Godin	Grubel
Guay	Hanger
Hanrahan	Harper (Simcoe Centre)
Harris	Hayes
Hermanson	Hoeppner
Jacob	Jennings

S. O. 31

Johnston	Kerpan
Landry	Lavigne (Beauharnois—Salaberry)
Lefebvre	Leroux (Shefford)
Loubier	Martin (Esquimalt—Juan de Fuca)
Mayfield	McClelland (Edmonton Southwest)
Meredith	Mills (Red Deer)
Morrison	Nunez
Paré	Plamondon
Ramsay	Ringma
Scott (Skeena)	Silye
Solberg	Speaker
St-Laurent	Thompson
Venne	Williams—52

PAIRED MEMBERS

Asselin	Bachand
Bellehumeur	Bergeron
Bernier (Mégantic—Compton—Stanstead)	Bouchard
Canuel	Caron
Chan	Crête
Culbert	Dalphond-Guiral
Daviault	Debien
Easter	Fry
Jackson	Lavigne (Verdun—Saint-Paul)
MacLaren	Peric
Simmons	Szabo
Tobin	Ur
Volpe	de Savoye

[*English*]

The Speaker: I declare the motion carried. When shall the bill be read a third time? Later this day?

Some hon. members: Agreed.

Mr. Boudria: Mr. Speaker, I rise on a point of order. I think you would find unanimous consent to call it two o'clock, thereby allowing for 15 minutes for statements under Standing Order 31 and continuing with the question period for 45 minutes so that no time is lost for either statements or questions.

The Speaker: Is there unanimous consent?

Some hon. members: Agreed.

The Speaker: It being 2 p.m., pursuant to Standing Order 30(5) the House will now proceed to Statements by Members pursuant to Standing Order 31, with the proviso that question period will end at approximately 3.08.

STATEMENTS BY MEMBERS

[*Translation*]

JOURNÉE INTERNATIONALE DE LA FRANCOPHONIE

Mr. Martin Cauchon (Outremont, Lib.): Mr. Speaker, today, March 20, is the Journée internationale de la Francophonie.

Moreover, this year is the 25th anniversary of this celebration of French culture and language, which was marked by the creation of the Cultural and Technical Co-operation Agency.

The Francophonie, which unites 47 countries, can be described as the community of peoples who speak French to varying degrees.

Since 1970, Canada has played a leading role in the development of the Francophonie. Through its membership in the Francophonie, Canada shares with the rest of the world our physiognomical traits and gives French speaking Canadians, who number 8.5 million, access to the world and development possibilities in a wide range of countries located in all parts of the world.

I would like to wish all francophones and francophiles in Canada a happy Journée internationale de la Francophonie.

* * *

JOURNÉE INTERNATIONALE DE LA FRANCOPHONIE

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, today, francophones the world over celebrate the Journée internationale de la Francophonie. On this day, we must reflect on the future of the Francophonie in light of the social and cultural changes shaping our societies.

Despite the fact that parliamentarians observe this day each year, Bloc Quebecois members deplore the omission of any mention of the Francophonie's flag in the Minister of Canadian Heritage's document entitled: "Canadian Flag, Flag Etiquette in Canada". However it does describe the flags of three important international organizations, the United Nations, NATO and the Commonwealth, of which Canada is a member.

The Francophonie, must we remind the Minister of Canadian Heritage, is celebrated in all countries of the world, starting with Canada.

We send our best wishes to francophones the world over.

* * *

● (1410)

[*English*]

CANADA WINTER GAMES

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, I congratulate four young people from my riding and home town of Camrose, Alberta, on their outstanding performances at the Canada Winter Games recently held in Grand Prairie, Alberta.

All are members of the Camrose Composite High School ski club. They competed in the biathlon, the same sport in which Canada won a gold medal at the 1994 Winter Olympics.

Seventeen–year old Kristine Saugen won three gold medals. Amy Ford, 18 years old, won a gold, silver and bronze medal, while 18–year old Erin Phillips placed fourth in the 10–kilometre individual race and received a gold and silver medal. Finally 19–year old Carlos Settle won a bronze medal in the 15–kilometre individual race while placing fourth in the 10–kilometre sprint.

Congratulations to Kristine, Amy, Erin and Carlos. They are all true champions and fine athletes.

* * *

RAIL

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, I ask the House to imagine how different the situation might be today if the government had kept its promises to abandon the Mulroney agenda.

Imagine if instead of announcing the privatization of CN it had announced new investment. Imagine if instead of abandoning the Crow benefit it had stood up for the necessity of rail subsidies. Imagine if instead of continuing with deregulation and commercialization in the transport sector it had reregulated in favour of rail, an environmentally superior form of transport. Imagine if instead of keeping and adding to the cuts at VIA Rail it had finally made the investment promised for so many years by so many governments in passenger rail.

Maybe railroaders would have a different attitude today and certainly less anxiety about job security.

* * *

WALTER OSTANEK

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, St. Catharines' polka king, Walter Ostanek, has made us proud once again.

Earlier this month he was honoured with his third consecutive Grammy award at this year's 37th annual award ceremony in Los Angeles.

Walter Ostanek won his award in the polka album category for his recording called "Music and Friends". This is his 46th recording and his 7th time to be nominated for a Grammy award.

While many other talented Canadians were nominated for awards, the polka king was the only Canadian to be chosen for a Grammy.

Congratulations to Walter Ostanek. Our hats are off to him for his continued excellence in music.

* * *

LEARNING DISABILITIES MONTH

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I am wearing a pin on behalf of the Learning Disabilities Association of Nova Scotia to commemorate Learning Disabilities Month.

Across Canada learning disabilities associations and schools perform vital work. Without their success in generating greater public awareness and without their preventive efforts to diagnose and assist those with learning disabilities, school dropout rates would dramatically increase. The number of juvenile offenders would be on the rise and the long term costs of Canada's social programs would spiral.

I offer my support particularly to the Learning Disabilities Association of Nova Scotia. The many hours offered by committed volunteers and staff have made a tremendous difference in the lives of those who live with learning disabilities.

I urge all members of the House to promote the valuable role played by these voluntary organizations in communities across our country. Their efforts are truly making a difference.

* * *

KIDS HELP PHONE

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, I rise today in support of Kids Help Phone. This non–profit service was started by the Canadian Children's Foundation back in 1989. Since then Kids Help Phone, which offers 24–hour bilingual counselling service to troubled youth, has grown tremendously. Kids Help Phone receives over 3,000 calls a day from frightened, lonely and often abused children.

Just last month Kids Help Phone received an astonishing 2,041 calls from troubled youth in my home town of Hamilton. Unfortunately, however, Kids Help Phone only has enough staff and telephone lines to handle about one–quarter of the calls. Who knows what kind of a crisis each one of those unaddressed calls for help might entail on a daily basis?

Although Kids Help Phone does not solicit government funding, I call upon my colleagues in the House to lend their support and raise awareness of the Kids Help Phone line 1–800–668–6868. After all, helping a young person in trouble can make a difference that will last a lifetime.

* * *

[*Translation*]

LOW LEVEL FLIGHTS

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, the Innu held a protest on Parliament Hill last Saturday to denounce the recommendations of the environmental assessment panel reviewing low level flights in Labrador and Northern Quebec.

• (1415)

The Bloc Quebecois joins the Innu in denouncing the contradictory recommendations of the panel who admits in its report the need for further study of the impacts on the health of human and animal populations, yet recommends that twice as many

flights be allowed, thereby jeopardizing the fragile balance of the Arctic environment.

This review offhandedly casts aside the legitimate concerns of those who face daily the stress caused by such flights. Under these circumstances, the Canadian government must flatly reject this report and start a new scientific process which, this time, will take into account the demands of the environmentalists and the local people.

* * *

[*English*]

ENTREPRENEURS

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, the Canadian Federation of Independent Business recently released a report stating the Canadian banking industry has a bias against women entrepreneurs because women had a 20 per cent higher refusal rate than men on commercial loans and paid 1 per cent more than male entrepreneurs on average.

It could be argued the Canadian Federation of Independent Business is wrong. A Statistics Canada national survey of small business in November 1994 said the difference was 6 per cent—18 per cent for males, 24 per cent for women—and the difference may be reflective of industry preference and not gender bias. In August 1994 an Industry Canada report concluded that gender did not influence interest rates charged on commercial loans.

We should be careful not to create problems. We have enough as it is. Engendering a victim mentality based on gender will do nothing to inspire men or women to become entrepreneurs.

* * *

DEFENCE

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, from March 7 to 9 the permanent joint board on defence between Canada and the United States had its 195th meeting.

The permanent joint board dates back to a 1940 agreement between Canada and the U.S. to share common security interests and to co–ordinate joint defence. Composed of both civilian and military officials, the 195th board discussed security in the western hemisphere and NATO's infrastructure and possible expansion.

The Americans had the opportunity to study our government's white paper on defence and foreign policy statement while Canadians had the opportunity to review the U.S. national military strategy.

Mr. Dwight Mason, the American co–chair, and I as the Canadian co–chair were both impressed with the depth of discussion and strongly encourage continuing support for these meetings.

Managing one of the world's largest defence arrangements requires close co–operation between Canada and the United States. The permanent joint board on defence is an excellent vehicle to help administer this important relationship.

* * *

SPRING

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, spring, which came to our west coast in January, has now officially reached the rest of Canada.

B.C. citizens, radio station CKNW, home of Rafe Mair and Bill Good, Lumberland and General Paint offer each MP today a token of the new season of hope and renewal. In the poet's words:

> Daffodils
> That come before the swallow dares and take
> The winds of March with beauty.

They remind us of the infinite beauty of our country, but also of its fragility.

Canadians have led the world in building the strong new international law on conservation and sustainable development of the earth's dwindling natural resources, including fisheries, as the common heritage of all mankind.

* * *

MEMBER FOR NEPEAN

Mr. Mac Harb (Ottawa Centre, Lib.): Mr. Speaker, my good friend and buddy Beryl Gaffney is currently undergoing surgery in London, Ontario. I wish her well and want her to know she is in our thoughts and prayers.

Beryl, your energy and drive can be a lesson to us all. I know you have the spirit and strength to see yourself through the days and weeks ahead. After all, as a friend and neighbour you put up with so many of us for so many years.

I know you will be back in your seat in the House very soon. On behalf of all of my colleagues, I wish you a quick and easy recovery. We miss you and look forward to your return soon.

Some hon. members: Hear, hear.

* * *

[*Translation*]

CANADA HEALTH ACT

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, the Prime Minister stated in Saskatoon Wednesday that the founda-

tions of the Canada Health Act were not negotiable. As it turns out however, the national forum on health, chaired by the Prime Minister himself, has a mandate to review this act without the full participation of the provinces.

• (1420)

The only legitimate players in the health field, namely the provinces, have been excluded from this process. The true meaning of the Prime Minister's "not negotiable" therefore becomes apparent.

Moreover, the last federal budget called for major budget cuts in transfer payments to the provinces. Again, this is not negotiable.

Are we to understand that this so–called flexible federalism means that nothing is negotiable? Transfer payments are cut, yet the provinces must comply with standards dictated by Ottawa. Now, they are being excluded from the national forum on health. And that is not negotiable either.

* * *

[*English*]

CANADA COUNCIL

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, we used to pay a penny for our thoughts, but thanks to an artist in Halifax we are now paying a nickel.

The artist, Stephen Ellwood, is an American who came to Canada because we give more money to artists than do our southern neighbours. Today Mr. Ellwood will be throwing away $300 in nickels—6,000 nickels—some off a building, others discarded on the street, to make a politically artistic statement. All of this money is at the expense of the Canada taxpayer thanks to the Canada Council.

I believe in the freedom of expression in Canada. I do not believe Canadian taxpayers should be left on the hook for every political and artistic problem we have. The Canada Council needs to overhaul its granting practices to ensure greater accountability as to how funds are distributed. It is time we looked at the current structure of the Canada Council and ask how it can continue to exist as we know it today.

Thanks to the Canada Council the Liberal government is not the only one throwing money away. Mr. Ellwood is so good at it he deserves a seat at the cabinet table as well.

* * *

RACIAL DISCRIMINATION

Ms. Jean Augustine (Etobicoke—Lakeshore): Mr. Speaker, last week marked the third anniversary of the end of apartheid in South Africa.

Tomorrow around the world people will commemorate the International Day for the Elimination of Racial Discrimination, raising awareness that racism still exists in our communities and that we must work toward its complete elimination.

In Canada equality is the law but is not always the reality, as many people must be bear the burden of racial discrimination. It is everyone's responsibility to acknowledge and address racism and its presence in employment, social life, housing and the justice system.

Through education true respect and equality can be achieved. By sharing the differences in our heritage and increasing awareness of each other's struggles and strengths we will end much of the discrimination that plagues our society.

* * *

[*Translation*]

QUEBEC SOVEREIGNTY

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, last Tuesday, following the statement made by the Fédération des communautés francophones et acadienne du Canada in support of the no side in the referendum, the Bloc Quebecois' reaction was swift: mind your own business.

One wonders who, in the opinion of the Bloc and the Parti Quebecois, can speak freely about the referendum. Last week, the Bloc questioned the right of the FCFA to express its opinion. Less than a month ago, the Bloc also questioned the right to vote of those who are not old stock Quebecers, to quote the expression used by one of its members. Shortly before that, a senior PQ advisor questioned the right of English–speaking Quebecers to vote in the referendum.

Back in May 1994, the Bloc told one of its own advisors to keep quiet on that issue. The message sent by the Bloc and the Parti Quebecois is clear: Only those who share their views can speak about the referendum.

The Speaker: My colleagues, since it is now 2.24 p.m., question period will end at 3.09 p.m.

ORAL QUESTION PERIOD

[*Translation*]

RAIL TRANSPORTATION

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, CN, CP and VIA Rail management responded to the strike called by rail unions on Saturday by locking out over 10,000 workers, thus paralysing the whole Canadian transportation network. According to Commissioner Hope's February 6 report, these three employers have refused to back down from any of their demands as employers.

Given the employers' attitude, how does the Minister of Labour explain that, in the night between Saturday and Sunday, barely 12 hours after the dispute started, she prepared, at the

employers' request, to legislate employees back to work and to make arbitration compulsory?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, my first reaction to the work stoppage at CN and VIA Rail was to meet with the parties, that is, the three companies and all the unions, yesterday at 3 p.m. in Montreal, to try to convince them to settle the dispute themselves by telling them very clearly that it would be much better for them to solve the problem themselves than to let the government legislate.

We still believe that it would be much better for both the employers and the unions to find their own solution to the problem, and I hope that they still have time to do so before we legislate.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the minister's comments are very enlightening; she has delivered an ode to free collective bargaining, after giving notice at 9.04 a.m. on Sunday, about 12 hours after the dispute started, that she would break up the strike.

How can the minister explain that, over a month before the dispute started, Commissioner Hope recommended back–to–work legislation although, according to his own report, the current stalemate results from the intransigence of the employers, who are trying to impose "extremely controversial and provocative" demands?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, if we have to bring a back–to–work bill before the members of this House, it is because the impact of this work stoppage requires the government to take action.

There is first of all an impact on all the people who use VIA Rail services. All the passengers faced a significant problem this morning. As far as the rail transportation network is concerned, this strike also affects an important part of the Canadian economy, not only rail companies but also all the other companies that depend on this form of transportation to speed up their operations.

Therefore, I think that it is in the public interest for the government to take action in this matter.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, after listening to the minister, we must conclude right away that there is really only one fundamental question: Does the right to strike still exist in Canada? If it must be taken away, a bill to that effect should be introduced and debated.

If this right to strike still exists, and it does, why does the minister refuse to consider a back–to–work bill that would provide for mediation instead of imposing work conditions and that we would support?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, the right to strike and to lock out workers still exists under the Canada Labour Code. In fact, over 60 per cent of labour disputes are settled without government or departmental intervention. Over 90 per cent of cases referred to the Minister of Labour are settled without strikes or lockouts. Our current system is very effective, except in emergency situations with a major impact on the economy or the population, as is now the case. We must strive to achieve results.

Unfortunately, the parties have been negotiating for months without reaching an agreement. The time has come to achieve results in this dispute.

* * *

PORT OF MONTREAL

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is directed to the Minister of Labour. The port of Montreal has been paralysed for thirteen days. Last week, the minister announced that she intended to appoint a mediator to help settle the dispute.

Could the minister explain why she was in such a hurry to pass back–to–work legislation only a few hours after a lockout was declared in the railway transportation industry, but has yet to appoint the mediator requested by the workers to help settle the dispute at the port of Montreal?

• (1430)

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, action has already been taken. I met both parties, the employers and the union, this morning. I asked them to go back to work immediately and to resume negotiations. I also appointed a mediator who is to report to me in ten days' time.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, I am glad that the minister has finally responded to the wishes of the union, which has been asking for a mediator for quite some time, because previously, labour relations have been excellent. What is needed is a permanent solution to the dispute.

Why did she not take similar action in the case of the railway transportation dispute?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, each situation must be considered separately, especially where labour relations are concerned, and I think the hon. member for the Bloc Quebecois will agree that no two situations are alike.

In the case of the port of Montreal, no conciliation commissioner had been appointed. There had been only one conciliation phase, so this is entirely different from the situation at the railways, where we had another very long phase, from November 1994 until February 1995, when a conciliation commissioner intervened.

So I assume the hon. member for the Bloc Quebecois is quite satisfied with the decision I made today.

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, for weeks a rail strike was expected. Now, after millions of dollars in lost wages and profit, and aggravating delays for commuters, farmers, and exporters, the Liberal government is finally ready to heed Reform's call for back to work legislation.

The Bloc and the NDP are holding up speedy passage of the legislation, adding to the loss of Canadian jobs and exports. It should not have come to this and it need not, had the government acted.

Since Reform knew weeks ago that legislation would be necessary to end this dispute, since the unions knew it, CN–CP knew it and the government knew it, why did the government not act sooner to avert this costly rail strike?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, the government still believes in collective bargaining. It still believes that the best solution is when the parties involved reach an agreement. And in every situation, we will do the impossible, before we consider legislating.

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, unfortunately millions of Canadians are held hostage by this work stoppage and they need to be heard as well. It is the government's shortsightedness and bumbling that is to blame for the rail stoppage.

Thirty–six hundred people in Montreal and Toronto are stranded because of the government. Farmers cannot get their grain to market because of the government. Manufacturers are shutting down production and workers are being laid off because of the government.

What is the government planning to do to ensure rail stoppages will be a thing of the past?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, we are very much aware of the economic impact of a work stoppage. However, one of the principles of good government is that a way must always be found to establish a balance between the forces involved. It is certainly not the intent of this Liberal government to side against the workers, as the Reform Party is doing. We want collective bargaining that is fair to both parties in the majority of cases.

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, if the government was serious about preventing future transportation stoppages, it would have supported Reform's private member's bill this morning.

The Minister of Labour floated the idea of binding arbitration last night. If she had really believed what she was saying, the minister would have stood in her place and voted for the best offer selection bill introduced by the member for Lethbridge.

I ask the Minister of Labour this. What steps will the government take to prevent future rail disputes? Please, no speeches and no lectures about the collective bargaining process. It rings pretty hollow to 45,000 public servants.

• (1435)

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, most disputes are resolved without government intervention. We must be aware of this. Secondly, when the government does intervene, most disputes are resolved without a strike or a lockout. We therefore have a very good system. There is always room for improvement, but we are not going to change it 150 per cent as the hon. member for the Reform Party would have us do.

* * *

CANADIAN BROADCASTING CORPORATION

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, Alain Pineault, vice–president of CBC planning and regulations said that the future of CBC regional TV stations had become uncertain following the funding cuts announced in the last federal budget.

Since the CBC decided against asking the CRTC to renew its regional stations' broadcasting licences because of the uncertainty created by the Minister of Canadian Heritage, can the minister confirm or deny once and for all today—and could he please be clear—that the CBC is facing cuts of $44 million, $96 million and $165 million over the next three years, as Mr. Manera was told by his deputy minister?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I think that the budget is clear with respect to the figures available concerning the CBC. I have already covered this ground and I have nothing to add.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the budget calls for $40 million in cuts next year. That much we know and is clear. But does the minister not realize that Radio–Canada has announced that more than 750 positions will disappear in the next few years, and now that the entire regional network will disappear as well? Does he? And having undertaken to provide multi–year funding to this crown corporation, does he not think that his first duty today is to make things clear, to put things plainly and honestly to the CBC, to allow for sound financial planning?

The Speaker: My colleagues, again, the honesty of the answers must never be called into question. All the hon. members always answer honestly.

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, our colleague just made reference to decisions announced by the CBC. I assume that his sources are the press and certain statements made by a vice–president of the CBC's French network. I would like to quote what she said with respect to the number of job cuts. She said that it was "an estimate, not a firm figure". She also said that this estimate will have to be approved by a board of directors. That is exactly what I said last week.

I said that there were, of course, dealings between the vice–president and her staff, but that no decision had been made. I said so last week and I repeat it today, supported by a quote from the source herself.

* * *

[*English*]

CANADA POST

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, last Tuesday the Prime Minister told the House that he would not undertake an investigation into the Perez affair. On Friday, however, the Solicitor General admitted that the minister of public works was conducting his own investigation into the incident.

What type of investigation is this? What assurances will the minister give the House that the investigation will be open and non–partisan?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, I would like to inform the hon. member that I am monitoring the situation and reviewing a number of allegations that have been made.

This event occurred well before our mandate commenced. It was back in 1991. It is the subject of litigation. A number of accusations have been made by a variety of different parties. In fact the CBC had made an allegation against two of the individuals.

• (1440)

For the benefit of all members, Mr. Speaker, I would like to read the retraction which was published: "Last week the CBC broadcast a story which implied payments had been made to Senator Pierre DeBane and to Canada Post Corporation President, Georges Clermont, in connection with the awarding of a contract for construction by Perez Construction of the new headquarters building of Canada Post in Ottawa. On investigation, CBC has determined that that story was false and unjustified. CBC retracts the story and apologizes to Senator DeBané, Georges Clermont, José Perez and the Canada Post Corporation for any embarrassment caused by the erroneous report".

I anticipate that additional allegations will come forward. Until such time as the litigation comes to a close, we will continue to monitor the situation.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, this event sounds an awful lot like the Pearson airport deal which was also started by the previous administration.

I would like to ask the minister for some clarification on behalf of Canadian taxpayers. Will he, when he conducts his investigation, also make public to the Canadian taxpayers who are footing the bill the terms and conditions of the lease agreement?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, I can well understand the desire of the hon. member to try to raise some public attention.

I want to share with him that the Auditor General, in March 1994, in a special examination of the Canada Post Real Estate Group said he "was satisfied with the decision making process throughout the project. The process provided for many counter checks of information, ensuring that cost effective alternatives were well identified and documented".

Furthermore the Auditor General went on to note: "Therefore it was found that the facility planning process as it affects cost controls issues for the corporation—(were) based on sound information and realistic market assumptions".

I will provide the information to him at the most appropriate time but I would hope that the hon. member could allow this litigation process to come to a conclusion.

* * *

[*Translation*]

WELFARE

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, the Quebec Minister of Income Security recently highlighted the negative effects of the Liberal government's cuts to the unemployment insurance system. One of them was that, as a direct result of the cuts to unemployment insurance, between 6,000 and 8,000 households in Quebec will be forced to join the welfare lines each month.

My question is for the Minister of Finance. Will he confirm that the additional $2.4 billion in cuts to the unemployment insurance fund, of which $700 million is for Quebec alone, will only increase the number of families collecting unemployment insurance which have to switch over to welfare?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it would be very helpful to point out to the hon. member who asked the question what I think is the

most important statistic from last year. If we look at the question of those people who exhausted their UI benefits, the number dropped by more than 86,000 over the year before. There was a very substantial gain of employment in Quebec which enabled far fewer people to reach a stage where they had to exhaust their UI benefits.

That is the real statistic the hon. member and the hon. minister for Quebec should be looking at. We are creating jobs in Quebec. People will be able to stay at work longer and not have to exhaust their UI benefits as a result.

[*Translation*]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the only statistic that people are going to remember is that, last year, the government implemented $675 million in cuts to the unemployment insurance fund, that this year's cuts amount to $2.4 billion and that it plans to cut $3.5 billion in the next. That is what people are going to remember.

My second question is also for the Minister of Finance. Will he admit that he is condemning thousands of families to despair by denying them unemployment insurance benefits and is once again offloading his financial problems onto the provinces by forcing them to spend larger amounts on welfare?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, again the hon. member simply does not know what he is talking about.

As a result of the unemployment insurance changes, close to 200,000 Canadian families receive the additional benefit of 60 per cent which adds, on average, an additional $1,000 of revenue for those low income families with dependants.

• (1445)

As a result of UI changes and the direction we are going in which is to give differential benefits to those most in need, we are able to provide substantial new income for 200,000 Canadian families.

* * *

NATIONAL DEFENCE

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, Canada has spent over $75 million modernizing our fleet of CF-5 fighters. We are now spending more millions of dollars even though the fleet is grounded and up for sale. The last time we tried to sell fighter planes we ended up giving away 39 of them to Turkey. What assurances can the minister give us that the Canadian taxpayers will not again get a bad deal and be up for another financial loss?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, as the hon. member knows, the CF-5s were bought some years ago as the main fighter and were superseded by the CF-18. As he also knows, the CF-5 fleet is being retired as a result of the white paper on defence and policy review. The intent is to sell them to another country, if possible.

Some countries have indicated some interest, but there is one country in particular where we believe there is a good opportunity to sell the CF-5s. The negotiations are continuing and we hope to have positive results in the near future.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I think the Minister of Foreign Affairs would agree that the most likely candidate to buy the CF-5 fighters is the Turkish government. The foreign affairs minister has condemned Turkey for bombing civilians. Given these concerns, what reassurances can the minister give us to ensure that these fighters will never be used to bomb civilian populations?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member is right. Turkey is the country we are negotiating with. The sale of these aircraft to Turkey or to any other country will be subject to the strict rules and regulations that are applied by the Department of Foreign Affairs and other controls that Canada has which preclude the sort of thing the member is concerned about from happening.

* * *

[*Translation*]

ETHICS

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage.

We learned today that the chairman of the National Capital Commission, Mr. Marcel Beaudry, was honourary president at a fund raising dinner held last Saturday in the riding of Chapleau by the Quebec Liberal Party.

How can the minister explain that a senior official of his department can get actively involved in Quebec matters, given the discretion normally expected from public servants at that level?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the chairman of the National Capital Commission is not an official of my department. He presides over a fully independent government agency, which operates at arm's length. Consequently, I have no authority over that official, since he is not a member of my department. I should also add that this person is free to use his leisure time as he pleases.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the fact is that the National Capital Commission is a

crown corporation accountable to the Department of Canadian Heritage. There are all kinds of leisure activities in life.

Does the Minister of Canadian Heritage not agree that this case should be reviewed by the ethics commissioner, so that we know to what extent such leisure activities, as the minister calls them, are acceptable, based on the ethics rules mentioned at length in the red book?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, Mr. Beaudry is a very respectable person who does not engage in activities without first making sure that they are compatible with his duties.

I am surprised to hear members opposite criticize federal public servants and agencies, considering that they encourage Quebec public servants to actively participate in the referendum campaign.

* * *

• (1450)

FRENCH–SPEAKING COUNTRIES

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, I understand the Minister of Foreign Affairs will attend the next Francophone Summit to be held in Benin, Africa.

Can the minister tell us what the government's priorities are with respect to the French–speaking countries of the world?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I am very pleased to answer this question on this Journée nationale et internationale de la Francophonie.

Indeed, on the initiative on the French minister, Mr. Jacques Toubon, ministers of French–speaking countries will be meeting next week in Paris to discuss ways to better prepare themselves for the Francophone Summit that will take place later this year, in Cotonou, Benin. This summit will bring together the heads of state of member countries of the Francophonie.

Over and above the efforts made in terms of cultural and technical co–operation, we want the Francophonie to play a broader political role in the promotion of human rights, democracy, equality for women and child welfare.

We think the Francophonie has an important part to play in the attainment of these objectives.

* * *

[*English*]

CORRECTIONAL SERVICE CANADA

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, last Friday, CBC Newsworld broadcast a segment on Fernand Auger. We heard about Auger picking up a 14–year old prostitute in Toronto 10 years ago, putting a gun to her head, threatening to kill her and then raping and sodomizing her.

The program then had an employee of Correctional Service Canada state that Auger's convictions were not viewed as being violent because the victims were prostitutes and this implied a level of consent.

My question is for the Solicitor General. Are these comments reflective of the position of Correctional Service Canada and this government?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I have not seen the program. I am going to get the text and review it. We consider this a very serious and tragic situation. Those comments, if accurately stated, do not reflect the position of this government.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, on June 10, 1994 while responding to a question of mine concerning a similar situation that occurred with Clifford Olson, the Minister of Justice stated that he hoped the allegations of crime are investigated, prosecuted and punished without reference to the lifestyle of the victim.

I ask the Solicitor General, what steps will you be taking to ensure that the attitudes of Correctional Service Canada are consistent with the government's policies and positions?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, again as I have said, I will check into the matter. If what is stated with respect to this broadcast is correct, I will make sure that the operations of the officials in question are consistent with government policy. I thank the hon. member for raising this matter with me.

The Speaker: Hon. members, I would encourage you always to address your questions through the Speaker.

* * *

[*Translation*]

SATELLITE DISTRIBUTION

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

Not satisfied with a decision made by the CRTC concerning satellite–based broadcasting, the government decided to create a three–person committee to establish behind closed doors its policy on satellite direct distribution.

How can Quebecers affected by this policy trust the recommendations of this committee when the president of the committee, Gordon Ritchie, was among those who stated last week in Toronto that the federal government should penalize Quebecers on the eve of the referendum?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, let us not confuse the public. Mr. Ritchie was appointed to submit a report. He is assisted by two distinguished and widely known individuals. We will judge the report when we read it.

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, rather than give the mandate to a small group of government's friends who will work on the sly, if the minister was not satisfied with the work of the CRTC and wanted an objective opinion on the question, why did he not ask for public and open consultations where interested parties in Quebec and in Canada could have been heard?

• (1455)

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I am happy to reassure our colleague. This group's report will be made public. The documents it receives will be made public. The CRTC is already holding very extensive public consultations on related subjects. Thus, there is nothing mysterious or hidden in this process.

* * *

[*English*]

NATIONAL DEFENCE

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, with the conclusion of the final court martial on the Somalia issue, I presume that the Minister of National Defence will shortly be announcing the composition of the board of inquiry to consider the issues before the deployment, during the deployment and after.

My concern is with the minister's decision to hold the inquiry under the National Defence Act. The perception will be that the Department of National Defence is investigating the Department of National Defence. Would the minister reconsider and hold the inquiry under the Inquiries Act?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I thank the hon. member for this important question. The minister will be back in the House tomorrow and will address that question himself.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, my concern with the minister's decision to use the National Defence Act is that first of all, there are 306 sections in it which will require that some legal advice be given which might be taken as directing by the military. The second one is that not all the members who have appropriate testimony are subject to the National Defence Act. It would be much better if the minister were to consider using the Inquiries Act.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I believe that was the question and my answer is still the same. The Minister of National Defence will return and address that question tomorrow or later this week.

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SMALL BUSINESS

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, my question is for the Minister of Industry.

A recent report of the Canadian Federation of Independent Business shows that banks have a double standard when lending money to businesswomen. It suggests higher loan refusal, higher interest rates and less financing available to women entrepreneurs.

Will the minister investigate this apparent discrimination when in fact women entrepreneurs have a higher success rate than do men?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, as the questioner points out, it is a very important fact that women entrepreneurs do have a very high success rate. Their efforts are contributing significantly to the creation of jobs in Canada. Their success in small business is an important component of the overall development of jobs within the country.

The question also reflects the suggestion in the CFIB study that perhaps women have a more difficult time obtaining financing than do men. I know members of the Reform Party do not agree with that as they have already spoken on it. Those facts are open for review.

However job creation by entrepreneurs of either gender is going to happen best when the banks come to the table and answer the needs of small business. The government is going to be working very hard with the banks and the industry committee to see to it that we establish benchmarks that are usable and useful in measuring the success of the banks in responding to these needs.

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[*Translation*]

ZEROPLUS INC.

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, my question is for the Minister of Industry and concerns a project of which he is aware in the Eastern Townships. The project, called ZEROPLUS Inc., is a very important project since it could create 150 jobs in the industrial sector.

The promoters of the project are still waiting for an answer from the federal government, the provincial government having already made a commitment in this regard. Since there are short term elements involved in this project, time is of the essence and if the government does not give its answer soon, the whole project could be in jeopardy.

Can the minister give us a progress report on this matter?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I would like to thank the member for giving me advance notice of his question.

As he certainly knows and as was announced in last month's budget, this program on environmental technologies is being reviewed by the departments involved and we will not, at this time, make new commitments with regard to this program.

* * *

● (1500)

[*English*]

FINANCE

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, my question is for the Minister of Finance. It concerns the fact that we have heard a lot last week and this week surrounding the back to work legislation about the national interest.

Given the fact that we now glorify an international economic order in which notions of national interest are seen to be romantic, why do we bring the full force of law to bear on workers who are seen to be not acting in the national interest, or so the argument goes, when we do not take any legislative action either nationally or internationally with respect to currency traders, money changers, multinational corporations or others that act against the national interest?

Given the sort of moral anarchy that reigns in the world today, will the Minister of Finance and the Canadian government, with respect to the G–7 summit, be taking some leadership in bringing in a new Bretton Woods agreement for the 21st century?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, just as the government has consistently put the national interest first in its dealings and in its legislation within the country, so has the Prime Minister in his public statements in terms of the international financial community.

The world ought to be quite happy that Canada will be the host of the G–7 meeting and that the Prime Minister will be there because he will very clearly put on the agenda the necessity of making sure the world deals with its finances in a safe and reasonable manner.

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[*Translation*]

AIR NAVIGATION SYSTEM

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, my question is for the Minister of Transport.

It was announced in the budget that the air navigation system, or ANS, would be privatized this year. The minister went as far as to say that negotiations are well under way with a non profit group made up of representatives of the air transport industry, and that an agreement could be announced shortly.

Can the minister confirm that stringent requirements will be set so that the new operators of ANS will provide quality French–language service throughout Quebec, Acadia, and in all regions with a significant number of French–speaking Canadians?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, we have already examined the issue raised by my hon. colleague. In all negotiations, we want to make sure that the requirements he described are met and that services in French will be available where they are needed, particularly in Quebec and in French–speaking regions of Canada.

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, I have a supplementary question for the minister.

Can the minister give us guarantees to the effect that the present regional operations of ANS will be maintained, and more particularly area control centres?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, one of the main reasons for proceeding to the commercialization of the air navigation system in Canada is to provide the users of the service, the airlines, the pilots and so forth, along with the deliverers of the service, the air traffic controllers, the radio operators and so forth, input into the decisions required to make the air navigation system in Canada effective and affordable.

To the extent that both those who use the service and those who deliver the service will want to act in the best interest of everyone involved in the process, I am sure all those decisions will be made in the very best interest of everyone concerned.

* * *

AGRICULTURE

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, the government has waffled long enough on to whom the Crow benefit should be paid. Farmers need clarification from the agriculture minister now.

I ask the minister this very simple question: Is the final Crow payment intended to benefit the landowner or the actual producer?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, as the hon. gentleman will know, the freight rate in western Canada has in one form or another been subsidized or kept at an artificially low rate for the better part of 100 years. When that occurs for that long period of

time the value of the freight rate becomes capitalized into the value of the farm land.

• (1505)

For example, when the capital gains tax valuation day came around in 1971 the value of the farm land was higher than it otherwise would have been because the produce off that farm land had been subsidized for a long period of time by means of the predecessors to the WGTA. The value of the farm land was higher because of the subsidy.

Some hon. members: Oh, oh.

Mr. Goodale: You asked the question; wait for the answer. When the subsidy is removed and the freight rate goes up, obviously there will be an impact upon farm land and it is that impact toward which the payment is directed.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, we have heard from the Minister of Finance, the Minister of Human Resources Development, the Minister of Transport and now the Minister of Agriculture and Agri–Food, and from our different ministers we have had four different answers.

I would like an answer, please. Will this payment absolutely, for sure, be made to the landowner or as some of the other ministers have said possibly to the renters or lessors?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, the budget documents and all the answers offered by various ministers of the government have indicated the payment being directed toward the landowner.

A number of farm organizations in western Canada have asked for the opportunity to provide advice to the government with respect to the administrative arrangements surrounding that payment so that we could ensure as far as is humanly possible that the benefit from the payment is spread as broadly as possible and as fairly as possible in good common sense.

Despite the representations of the Reform Party, I intend to listen as closely as I can to the advice from farm organizations and take their representations into account.

* * *

STUDENT EMPLOYMENT

Mrs. Georgette Sheridan (Saskatoon—Humboldt, Lib.): Mr. Speaker, my question is for the Minister of Human Resources Development.

Spring has sprung and with it the job search for Canadian university and high school students has begun. Summer employment provides work experience along with funds needed to continue their education.

What assurance can the minister give Canadian students that the government puts a high priority on their summer employment needs?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, on Friday we announced a new summer youth employment program that will provide employment for close to 45,000 students this summer across Canada.

I would like to mention a few very important features. One is that we will be providing a wage subsidy to businesses and organizations that are prepared to provide career development for students so that the summer work actually adds to their vocational development.

Second, there will be major business loans for students who want to start their own businesses. There will be an extension of the youth service corps for summer programs for young people in which we will have full partnership of the Canadian Federation of Mayors and Municipalities, educational groups, Indian bands and aboriginal groups.

It demonstrates that we are working in partnership across the country to help our young people.

* * *

ENVIRONMENT

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, last year the environment minister stated that a project, namely Sunshine Development, which had environmental assessments, was fully reviewed by Parks Canada and designated as environmentally sound, would be subject to more review because of her government's reliance on special interests.

If the minister is so concerned about the environment, why is her department sitting idle while clear–cutting of old growth is taking place on lands in which the federal government has an interest?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, first of all the preface to the hon. member's question is absolutely false.

In fact the panel that was struck specifically relating to the ski hill in question was called by the minister responsible for Parks Canada, the Minister of Canadian Heritage.

Mr. Thompson: That is a good answer for nothing.

* * *

[*Translation*]

ENVIRONMENTAL ASSESSMENTS

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, my question is for the Minister of the Environment. We have

discovered from reading the budget that the government is proposing to require the provinces pay for environmental assessments undertaken by the federal government.

Not only is this government persisting in maintaining costly duplications, it is adding more this time by asking Quebec to pay for services it does not need, because it already has its own, equally effective tools.

• (1510)

Does the Minister of the Environment not realize that, by asking the provinces and other interested parties to assume the costs of environmental assessments, she is forcing Quebec taxpayers to pay the federal government for a service they have already paid the Government of Quebec for?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, if the hon. member has taken the time to read the documents, she will have seen that the federal government requires payment for those under the exclusive jurisdiction of the federal environment service. Those under the BAPE will be covered by provincial laws.

* * *

[*English*]

PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of Mr. Stavros Kambelis, General Secretary for the Island of Crete, Greece.

Some hon. members: Hear, hear.

The Speaker: I also draw the attention of hon. members to the presence in the gallery of four of the five recipients of the Queen Elizabeth Silver Jubilee endowment fund for second language education award program.

I will read the four names and then we will recognize them. Miss Genevieve Currie, Miss Christine Desmarais, Miss Echelle Kerr and Mr. David Matte.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 37 petitions.

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JOURNÉE INTERNATIONALE DE LA FRANCOPHONIE

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Madam Speaker, in 1990 the 47 countries and governments of the francophone community declared March 20 the Journée internationale de la Francophonie. It was on March 20, 1970 that the Agence de coopération culturelle et technique (ACCT) was founded in Niamey, Niger. This year, the Journée internationale de la Francophonie marks the 25th anniversary of the ACCT, which, as it happens, is directed by a Canadian, Jean–Louis Roy. It is interesting to remember that the first secretary general of that organization, Jean–Marc Léger, was also a Canadian.

Today, I would like to pay tribute to the visionaries of the Francophonie, men like Senghor, Diori and Bourguiba from newly independent countries who dreamed of an assembly that would establish new lines of dialogue, co–operation and solidarity between French–speaking nations. Madam Speaker, let me quote Léopold Senghor, who attributed to the Francophonie "an all–encompassing humanism that encircles the planet". Today more than ever, we must be guided by this humanism if the Francophonie is to become an even more dynamic forum.

The recent tragic events in French–speaking countries concern us directly, indeed command our attention. The Francophonie is being called upon to take a stand and I give my word in this House that Canada will support it in its efforts.

• (1515)

Next week, as I said in reply to a question from a colleague in this House during question period, I will have the honour of meeting my colleagues from French–speaking nations around the world. Together we will discuss ways of strengthening French–speaking institutions in preparation for the next Summit of heads of state and government in Cotonou, Benin.

These summits provide an opportunity to promote common objectives. Canada plays an important role at the summits, represented by the Canadian government, and also of course by the governments of Quebec and New Brunswick, who play a very important and useful role there.

This felicitous formula, which led to harmonious relations between France, Canada and Quebec, was the result of lengthy negotiations by intelligent, resourceful people respectful of the interests of the parties concerned.

Because he is here with us in this House, I would like to mention the exceptional contribution of one of the great archi-

tects of this historic success, the present Leader of the Opposition, who as Canadian ambassador at the time, did an outstanding job of resolving this matter satisfactorily in the interest not only of Canada but also in the interest of Quebec and of the good relations we have always had and wish to maintain with France.

This felicitous formula enabled all speakers of French in Canada, and especially in Quebec, to play a role internationally. This formula still allows Quebec to play an important and vital role within the Francophonie.

We will continue to promote, within the Francophonie, the basic values which are so dear to our fellow citizens. Earlier, in answer to a question in the House, I mentioned the values of democracy, human rights, equality for women, child welfare and education.

To mark this important day, we had the pleasure to participate in a ceremony where we unveiled, along with officials from member countries of the Francophonie, their ambassadors and several fellow citizens who are active in that field, a postage stamp commemorating the 25th anniversary of the Canadian Technical and Cultural Co–operation Agency.

I also had the pleasure of handing out Francophonie awards to deserving students and teachers from across Canada. This initiative is a reminder that the vitality of our linguistic and cultural heritage was, and remain, essential to our unity, our specificity and our existence as an independent entity.

Canada is well aware that the Francophonie is not a territorial issue. The greatest lesson we learned is that Francophonie knows no boundaries: It is a universal reality. The Francophonie in Canada, which thrives in Quebec, New Brunswick, Ontario, Manitoba and other regions, and which I salute, must of course rely on a strong, dynamic and credible worldwide francophone movement.

Let us not forget that over eight million Canadians can speak French. This number includes of course close to 75 per cent of Quebecers, but also over 25 per cent of the other Canadians, including close to 1.2 million in Ontario, half a million in western Canada, and some 400,000 in the Maritimes.

• (1520)

In closing, today, we celebrate the Francophonie and a language which is so dear to us. The French language spread throughout the world and is enriched by the different accents from various islands, plains, ricefields and bushes, where it is thriving.

I invite all members in this House and in other Canadian legislative assemblies to celebrate together this Journée de la Francophonie internationale, which marks the beginning of a week dedicated to the Francophonie in Canada.

Mr. Philippe Paré (Louis–Hébert, BQ): On behalf of all my colleagues in the Bloc Quebecois I am especially proud today to mark the Journée internationale de la Francophonie.

On this day, it is fitting to point out that Quebec's opening up to the world has been nowhere more evident than in its participation in the international francophone community. Since the early sixties, Quebec has been forging special bilateral links with France. This intense co–operation between Quebec and France has contributed significantly to the strengthening of multilateral contacts with francophone communities, resulting in numerous exchanges between Quebec and its main francophone partners, especially Europe and Africa, in many areas such as culture, education, scientific development, high technology and industry.

The Journée internationale de la Francophonie is especially significant this year as it happens to be the 25th anniversary of the founding of the Agence de coopération culturelle et technique. In the early seventies, the agency provided the focus for the development of the international francophone community. Quebec's right to formally participate in the agency's proceedings was quickly recognized, as was its right to sit as a participating government in the francophone summit.

There is no doubt that Quebec's participation in the international francophone community is vital to its opening onto the world. Moreover, rediscovering the way to a vibrant solidarity with francophone and Acadian communities in Canada, Quebec will be able to play a central role in building a francophone space in North America.

Last May, while making public the Bloc's commitment to the American francophone community, the Leader of the Opposition rightly pointed out that by building bridges between francophone communities in North America and the rest of the world, Quebec will be able to help make the voices of francophone and Acadian communities in Canada heard in the concert of nations, and will be thus in a better position to promote their cause.

Francophones in America have a common future and, when Quebec becomes a full partner on the international scene, freed from the constraints of being a mere province, it will be able to play this role fully. We are eagerly looking forward to that day.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, as critic of the Reform Party for official languages, I am pleased to commemorate this Journée internationale de la francophonie.

The Reform Party recognizes how much the French–speaking population has contributed to the development of our great country, which continues to be enriched by them. Conscious of that fact, the Reform Party supports the principle of using English and French within key federal institutions such as Parliament and the Supreme Court. We also support the right of

all Canadians to speak in either of these two beautiful languages.

By being part of an organization like the Francophonie, Canada maintains relations with 46 other member states having a combined population of 400 million people. As a member of this organization, Canada can play an active role at the international level, whether it is in technological and medical breakthroughs in some African countries or in promoting democracy in certain Caribbean states such as Haiti.

• (1525)

Although this international co–operation offers limitless opportunities, we must remain conscious of our responsibilities towards taxpayers.

In this regard, most Canadians support our efforts to restore democracy in Haiti. However, there are those who question the $9 million spent by the Agence de coopération culturelle et technique in French–speaking countries, as well as the $7 million allocated to the implementation of projects and development activities agreed upon at the Francophonie summits.

What we have to do, in fact, is balance our responsibilities towards our partners in French speaking countries and those towards Canadian taxpayers. This is a difficult exercise which warrants special attention. On behalf of the Reform Party, I congratulate francophones all over Canada and around the world on this day celebrating the Francophonie. I would also like to take this opportunity to challenge the government: Let us hope that it will be bold enough to ensure some balance between its commitments to this alliance and its responsibilities towards taxpayers.

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Madam Speaker, today marks the beginning of la Semaine nationale de la Francophonie, and this year's theme is ethno–cultural diversity. One of the awards this morning was made in recognition of a multicultural and anti–racist educational project called Leadership Camp.

Tomorrow, March 21, we celebrate the International Day for the Elimination of Racial Discrimination.

These two events will be an opportunity to celebrate the rich diversity of this country.

The Prime Minister of Canada has often said that the unity of our country is based on diversity, and that diversity is also our strength. It is, in fact, the fundamental characteristic of our nation. A country based on diversity cannot afford to let racism, hatred and intolerance to take root in its soil.

[*English*]

To do otherwise would be to jeopardize a social peace for which Canada is envied around the world. Social peace does not come from wishing it. It comes from hard work and from vigilance. The duty to be vigilant carries with it the responsibility to address racism by public response or by force of law.

The greatest asset of any country is its people. The challenge is not to assimilate this diversity into a simple mould, but to weave its many varied strands into a distinctive national culture. Canadian culture is much more than the sum of its many parts.

From a global perspective Canada is seen as a role model, a country united through common values based on fairness, equity, democracy and respect for human rights.

While racial, religious and ethnocultural discrimination have helped to make the 20th century a byword for inhumanity and violence, Canada is exceptionally fortunate in the extent to which it has been spared the worst of these excesses.

We must do more than trust our luck. We must work very hard to make sure our country is not open to racist sentiments, whatever their form and whatever their source.

• (1530)

It is in this context that I hope all members will see the March 21 campaign on their screens and in their movie theatres. It will be a campaign asking Canadians to stop and think about the harm that racism does to others and to society. Understanding is the key to eliminating racism.

What better way to encourage Canadians to think about the effects of racism than to put themselves in the other person's shoes. Mettez–vous dans la peau des autres. Only then can we learn what it means to live in a society of mutual interdependence. Sometimes we need to be reminded of what we so often take for granted.

Such a reminder came very recently from President Bill Clinton of the United States who in addressing the House lauded our nation: "as a model of how people of different cultures can live and work together in peace, prosperity and understanding".

The message of the March 21 campaign embodies the sentiment expressed by the Prime Minister of Canada, reinforced by the President of the United States.

I urge all members to join with me in carrying this message to the people of Canada.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Madam Speaker, tomorrow, March 21, 1995, Canadians and Quebecers celebrate the International Day for the Elimination of Racial Discrimination. As pointed out by the Secretary of State for Multiculturalism and the Status of Women, this event coincides with la Semaine internationale de la Francophonie.

It is therefore a time to think about this social and cultural dimension of our individual and collective lives. Quebec and Canada are societies in a state of flux that are facing many challenges. One that is of particular interest to us in this House is the contribution of immigrants and their participation in the development of our social fabric.

However, there are two visions of Canadian society: The Canadian vision that favours unity in diversity, and the Quebec vision that favours integration while respecting cultural differences. These two opposing social concepts are based on two different political visions of our world. In Quebec, since the initial Quebec–Canada agreements on immigration, the linguistic and economic integration of newcomers in the host society has been an imperative for the development and growth of the majority culture, in other words, the French–speaking majority. The very survival of our culture, the cultural heritage we received from our ancestors, is at stake.

In Canada, multiculturalism has been repeatedly analysed, criticized and challenged, especially in recent years. I may recall that this policy, which was intended to impose a political vision of Canada instead of reflecting the place that cultural communities occupy in Canada, was developed at a time when Quebec nationalism had reached a decisive turning point in its history.

It was an attempt to diminish the position of Quebec within Canada by relegating to the past the concept of two founding peoples and two dominant cultures. That is why multiculturalism never took root in Quebec, despite the claims of the present federal government and its Prime Minister.

We could quote, on this point, a letter by the former Premier of Quebec, Mr. Robert Bourassa, who said in 1971, replying to Mr. Trudeau on the question of multiculturalism: "The document tabled in the House dissociates culture and language—Quebec does not agree with your government's approach on the concept of multiculturalism. That notion hardly seems compatible with Quebec's reality where there is one predominant presence of a French language and French culture majority and an important minority of English language and culture among many other minorities".

Mr. Bourassa ended his letter by stressing the fact that the role of the Premier of Quebec was to ensure that the French culture would radiate within North America and that he intended to go on doing just that, with all he had available to him, while respecting others.

• (1535)

However, we do believe that the integration of communities into the common public culture of Quebec does have a positive impact on racism and intolerance.

This position was supported in Quebec yesterday during the opening ceremony for the Semaine de la Francophonie, when the president of the Maison internationale de Québec, Mr. Augustin Raharolahy, who immigrated to Quebec 20 years ago, said: "Mastering a language is central to the integration process and is a prerequisite for a full participation in the economical, social and political life. Furthermore, it also gives a feeling of ownership in our society. Mastering the French language as a common language is fundamental, but it does not mean linguistic and cultural assimilation". He then concluded by saying that: "A common language, the French language, solidarity, and the pride of being a Quebecer are the strengths with which we can build a country, a modern society".

One can hardly find a better description for Quebec's policy and reality. However, like all other nations, Quebecers and Canadians must increase their efforts in order to fight against racial intolerance and all the prejudices that invariably come with it.

The fight is a constant one, but a victory against racism would result in a better quality of life for future generations.

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.): Madam Speaker, it is an honour and a pleasure to rise and speak in acknowledgement of the International Day for the Elimination of Racial Discrimination which takes place tomorrow.

Recently I had occasion to speak in Kingston, Ontario to a group of seniors about my vision for Canada. I received from one of those who was in the audience that day a most remarkable letter. She called it "Acceptable Behaviour in a Global Village". I would very much like to share it with members because it gives expression to what we are addressing today and tomorrow.

She writes:

> The world of human beings has grown smaller and populations all over the world have become so mixed that we have to learn to get along peacefully with each other. The global village is no longer somewhere else. It is here and all of us are mixed in with it. It does not matter whether someone of a different race or nation lives next door or down the street or in a different part of town or half way around the world, we have to learn to live peacefully with all of those peoples whose racial or national origins are different from our own. To do otherwise is to bring about an end to our world. The intolerance, conflicts, fighting and wars between peoples will bring an end to our civilization and the earth as a planet much quicker than any pollution or natural disaster.
>
> All peoples have some members who are great people, who have accomplished things which are beneficial for all humankind. All peoples have some members who are difficult people who make life miserable for those around them. No one is perfect. Most people of all races are a mixture of good and bad. It is necessary to recognize the best and the positive in others regardless of what they look like, what language they speak or where they have come from. The positive values of honesty, integrity, the ability to do the job required of them, the ability to care for family and

other people, and the ability to live peacefully together with others; all provide the basis for a good and worthwhile society.

Every race and nation of people has those individuals whose performance is excellent in all of those values. Every race and nation has many who fail to uphold those positive values. We need to change our attitudes to become more objective and non–judgmental. We need to become more accepting of all people.

The woman concludes her letter with the thought that:

This is not an easy thing to do but if enough of us who feel this necessity start to put these attitudes into our own lives and encourage others to also do so, we will have a better world.

These are the sentiments of an ordinary Canadian with some considerable life experience. Her words echo not only my thoughts but also those of all of us here in the House who have given expression to our basic belief in human dignity and the equality of others.

* * *

• (1540)

BUDGET IMPLEMENTATION ACT, 1995

Hon. Douglas Peters (for the Minister of Finance, Lib.) moved for leave to introduce Bill C–76, an Act to implement certain provisions of the budget tabled in Parliament on February 27, 1995.

(Motions deemed adopted, bill read the first time and printed.)

Mr. Milliken: Madam Speaker, I rise on a point of order. I wonder if you would ask the House if there would be consent to introduce the bill, of which I sought introduction this morning, to order the resumption of railway operations in Canada, in light of the very serious strike that is ongoing.

I know the Minister of Labour is anxious to bring the bill before Parliament. With the consent of the House we could give it first reading this afternoon.

The Acting Speaker (Mrs. Maheu): The House has heard the terms of the motion. Do we have unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): We do not have unanimous consent.

* * *

PETITIONERS

JUSTICE

Mr. Myron Thompson (Wild Rose, Ref.): Madam Speaker, I have two petitions; actually I have five but four of them relate to the same thing.

The first petition calls on Parliament to enact legislation that re–evaluates and amends the Canadian justice system providing protection to and giving precedence to victims' rights, stricter sentencing guidelines, stronger penalties for all major crimes, immediate deportation of convicted non–Canadians with all appeal costs financed by the accused, all juveniles charged with major crimes be tried in adult court and all violent criminals to serve their full sentences.

This petition comes from the Canmore, Exshaw and Banff district.

SEXUAL ORIENTATION

Mr. Myron Thompson (Wild Rose, Ref.): I have four other petitions, Madam Speaker, that call on Parliament to oppose any amendments to legislation that would provide for the inclusion of sexual orientation.

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Madam Speaker, I have three petitions to present. The first two request that the government not include the phrase sexual orientation in any of its upcoming bills.

CANADIAN ARMED FORCES

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Madam Speaker, the second petition requests that Parliament convene a public inquiry that supersedes any that may be operating at present and to investigate and report on all matters affecting the armed forces of Canada in its operations, tasking its resource allocation and affecting its morale and welfare.

JUSTICE

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): My third petition, Madam Speaker, calls on Parliament to reverse the decision of the Supreme Court of Canada to allow extreme intoxication as a defence for sexual assault or physical assault.

Mrs. Jan Brown (Calgary Southeast, Ref.): Madam Speaker, I rise again to present another petition in this course of action undertaken on behalf of constituents who wish to halt the early release from prison of Robert Paul Thompson.

The petitioners I represent are concerned about making our streets safer for our citizens. They are opposed to the current practice of early release of violent offenders prior to serving the full extent of their sentences.

The petitioners pray that our streets will be made safer for law–abiding citizens and the families of the victims of convicted murderers.

CANADIAN BROADCASTING CORPORATION

Mr. Walt Lastewka (St. Catharines, Lib.): Madam Speaker, I have two petitions to present.

The first petition calls on Parliament to condemn the actions of the Canadian Broadcasting Corporation and to request that in accordance with its responsibilities as the national broadcaster, the CBC withdraw its application to televise the Paul Bernardo case.

JUSTICE

Mr. Walt Lastewka (St. Catharines, Lib.): Madam Speaker, the second petition calls on Parliament to request that the government disallow the defence of extreme intoxication as used in the Daviault case and amend the Criminal Code accordingly.

• (1545)

HUMAN RIGHTS

Mr. John Williams (St. Albert, Ref.): Madam Speaker, pursuant to Standing Order 36, on behalf of 27 Albertans, I am honoured to present a petition organized by Rose Hornsberger, one of my constituents.

These petitioners request that Parliament not amend the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

Not only am I pleased to present this petition but to endorse it as well.

Mr. Paul Steckle (Huron—Bruce, Lib.): Madam Speaker, pursuant to Standing Order 36(1), it is my pleasure to present a petition with 269 names from petitioners in the Kitchener–Waterloo area on behalf of my colleague from Kitchener.

The petitioners pray and request that Parliament not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

YOUNG OFFENDERS ACT

Mr. Art Hanger (Calgary Northeast, Ref.): Madam Speaker. I have several petitions to table today. I understand there are several petitions being presented that equal approximately 64,000 names dealing with the Young Offenders Act and changes to toughen it up. This petition bears 73 signatures from people in my riding and nearby.

ASSISTED SUICIDE

Mr. Art Hanger (Calgary Northeast, Ref.): Madam Speaker, I also have two petitions bearing 115 names. The petitioners pray that Parliament not repeal or amend section 241 of the Criminal Code in any way and to uphold the Supreme Court of Canada's decision of September 30, 1993 to disallow assisted suicide, euthanasia.

RIGHTS OF THE UNBORN

Mr. Art Hanger (Calgary Northeast, Ref.): Madam Speaker, I have four petitions bearing 423 names. The petitioners pray that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

HUMAN RIGHTS

Mr. Art Hanger (Calgary Northeast, Ref.): Madam Speaker, I have a petition on sexual orientation which I do not concur with but I will present and table.

The petitioners call upon Parliament to act quickly to amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation and to adopt all necessary measures to recognize the full equality of same sex relationships in federal law. It bears 39 names.

Madam Speaker, I have another petition on sexual orientation bearing 62 names. The petitioners pray and request that Parliament not amend the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights act to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

GUN CONTROL

Mr. Art Hanger (Calgary Northeast, Ref.): Madam Speaker, this petition is on gun control and bears 119 names. The petitioners support the laws which severely punish all violent criminals who use weapons in the commission of crime and support new Criminal Code firearms control provisions which recognize and protect the right of law–abiding citizens.

Madam Speaker, may I continue?

The Acting Speaker (Mrs. Maheu): Perhaps somebody else should be given a chance. If we have time, I will come back to you.

CHILD SUPPORT

Mr. Andrew Telegdi (Waterloo, Lib.): Madam Speaker, I have two petitions to present.

One of the petitions contains signatures collected at the Waterloo Pentecostal Assembly. It draws the attention of the House to the following: That incidents of child poverty are becoming more and more frequent; that each incident of child poverty harms the public; that there would be fewer such incidents if certain legislative measures were taken. Therefore, your petitioners call upon Parliament to enact legislation to help alleviate child poverty by ensuring that child support orders are enforced and by removing the income taxes on those child support payments received by the custodial parent.

CABLEVISION INDUSTRY

Mr. Andrew Telegdi (Waterloo, Lib.): Madam Speaker, the second petition is signed by 30 people and deals with the CRTC. It calls on Parliament to request the CRTC to review and hold hearings on cable industry regulations in order to protect the interests of the Canadian public from unfair marketing practices such as negative option billing in so far as tied selling is a reviewable practice under the Competition Act.

• (1550)

HUMAN RIGHTS

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Madam Speaker, I have two petitions to present to the House today. The first calls upon Parliament to oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms which provides for the inclusion of the phrase "sexual orientation".

ASSISTED SUICIDE

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Madam Speaker, the second petition asks that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

HUMAN RIGHTS

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Madam Speaker, I have two petitions to present today. One is a petition of 25 names from B.C. asking Parliament to amend the Canadian Human Rights Act to protect individuals from discrimination.

GOVERNMENT SPENDING

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Madam Speaker, the other is a petition of a few hundred names asking Parliament to reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending.

GUN CONTROL

Mr. Peter Thalheimer (Timmins—Chapleau, Lib.): Madam Speaker, I have a petition in which some constituents are asking that Parliament punish violent offenders who use a firearm in the commission of a crime, and to protect the rights of responsible gun owners and improve gun control legislation to make it more effective and efficient.

HUMAN RIGHTS

Mr. Pat O'Brien (London—Middlesex, Lib.): Madam Speaker, as a member of Parliament it is my duty to present a petition which opposes including the phrase "sexual orientation" on various pieces of federal legislation.

The Acting Speaker (Mrs. Maheu): We have a few minutes left. I will return to the member for Calgary Northeast. May I remind members once again that if you are saying you support the petition, it is going into debate. Would you please just state the matter the petitioners wish Parliament to consider.

IMMIGRATION

Mr. Art Hanger (Calgary Northeast, Ref.): Madam Speaker, my final petition is on immigration. The petitioners humbly pray and call upon Parliament to reduce immigration to the previous average level of one–half of one per cent of the population, or about 150,000 per year, with a basic intake of not less than 50 per cent of the total, composed of carefully selected skilled workers required by the Canadian economy. They request that our refugee acceptance rate be brought into line with the average for other asylum destination countries. This petition bears 42 names.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I would ask that all the questions be allowed to stand.

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

[*English*]

Mr. Hermanson: Madam Speaker, on a point of order, I just want to make it clear that when the request was made for unanimous consent to introduce the back to work legislation and the opposition did not permit that to occur, it was not the Reform members. The Reform members did concur. It was the Bloc and the NDP.

The Acting Speaker (Mrs. Maheu): I would like to seek unanimous consent of the House to return to introduction of private members' bills if I may.

Some hon. members: Agreed.

* * *

[*Translation*]

CANADA LABOUR CODE

Mr. Bernard St–Laurent (Manicouagan, BQ) moved for leave to introduce Bill C–317, an act to amend the Canada Labour Code and the Public Service Staff Relations Act (scabs and essential services).

He said: Mr. Speaker, it is my pleasure to move, on behalf of the Bloc Quebecois, an anti–scab bill. This bill would prohibit the hiring of scabs by employers under federal jurisdiction, by crown corporations or by the Canadian public service and would also legislate on the maintenance of essential services during a strike or a lockout within the public service or crown corporations.

This bill is to allow for labour relations to take place in a civilized context so that, in many cases, social peace can be restored.

• (1555)

It is inconceivable that the federal government has not yet passed such a legislation when more than 70 per cent of Canadian workers are already protected against scabs, that is in Quebec, Ontario and British Columbia. The lack of a federal anti–scab legislation is often the cause of the worsening of labour–management negotiations. During negotiations, the equity of pressure tactics amounts to the respect of the parties. An anti–scab legislation means the respect and dignity of workers.

It is high time that the federal government take some measures to put an end to labour disputes such as the one at Ogilvie Mills of Montreal, which have been on strike for nine months now.

(Motion deemed adopted, bill read the first time and printed.)

[*English*]

The Acting Speaker (Mrs. Maheu): I wish to inform the House that pursuant to Standing Order 33(2), because of the ministerial statement, Government Orders will be extended by 26 minutes.

GOVERNMENT ORDERS

[*Translation*]

BORROWING AUTHORITY ACT, 1995–96

Hon. Douglas Peters (for the Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.) moved that Bill C–73, an act to provide borrowing authority for the fiscal year beginning on April 1, 1995, be read the third time and passed.

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Madam Speaker, it is for me a great pleasure to give today my support to Bill C–73, the Borrowing Authority Act, which has reached the third reading and final concurrence stage in this House.

This bill is in fact an internal economy measure which is introduced once a year to allow for the continuation of the permanent operations of the government. This does not mean that the government does not consider this measure seriously, quite the contrary.

This bill follows the presentation by the Minister of Finance last month of the most important and significant budget for the future of this country since the Post–War years.

This budget brought in–depth changes to the nature of federal spending. Its provisions were adopted because the need for a sound administration has become incompatible with a growing national debt that has a destructive impact nation–wide.

This bill provides for a borrowing authority of up to $29 billion. A large portion of this amount accounts for the appalling and unacceptable gap that has developed between projected federal expenditures and revenues.

Canadians are well aware of the situation. They understand that the cost of outrageous deficits means higher taxes and interest rates and less economic growth in the future.

• (1600)

These same reasons explain why the 1995 budget and its harsh measures have had so much support from the people.

In the 1994 budget, we undertook to keep the deficit under $32.7 billion in 1995–96 and to reduce it even further to 3 per cent of the GDP, that is $24.3 billion in 1996–97.

This budget contains harsh measures that will make sure we reach those goals despite higher interest rates than expected.

However, this budget goes much further than the goals set for the next two years. Our reforms will continue to be productive in the following years and will allow us to go on and hit the final target of this government, that is a balanced budget.

We will be able to claim that our mission has been achieved the day this kind of bill is no longer necessary.

[*English*]

To hit our deficit targets we are implementing cumulative savings over the next three years of $29 billion. This is the largest set of actions in any budget since the demobilization after World War II.

These actions mean changing the size and shape of government. By 1996–97 program spending will fall from $120 billion last year to just under $108 billion this year. The structural changes we are making will ensure significant deficit reduction continues in 1997–98 and beyond. The bottom line benefits of this will be dramatic

The deficit will fall to $32.7 billion in 1995–96 and to $24.3 billion the year after, as we promised. With the deficit in 1996 at 3 per cent of GDP, this will be the lowest level since 1974–75.

By that time our financial requirements, the new money we have to borrow from the markets, will drop to $13.7 billion. That will be just 1.7 per cent of GDP, lower than any currently forecast for any other G–7 nation. We are again backing up our prudent economic assumptions with substantial contingency reserves; $2.5 billion in 1995–96 and $3 billion the year after. This means we can still come in on target next year, even if interest rates are 1 per cent higher and growth half a per cent lower than our forecast.

Our contingency reserve can do more than protect our target. If it is not needed it will not be spent. It will go to reducing the deficit even further. This underscores another benefit our prudent planning could deliver.

If interest rates and growth do better than are forecast and just conform to the private sector averages, the 1996–97 deficit could drop below $19 billion. That is $5.5 billion less than this budget projects. That would bring our deficit down to 2.3 per cent of GDP.

Even if we do no better than our projected targets, 1996–97 will be an important milestone since the debt will no longer be growing faster than the economy. The debt to GDP ratio will have begun to decline at last. That is the key to fiscal sustainability, to put our debt ratio on a permanent downward track.

I need not go on summarizing our budget plans and the promise they carry. The House has heard days and days of budget debate. The court of public and market opinion has ruled strongly in favour of our courageous strategy.

Let me turn briefly to the thrust of Bill C–73. I again ask the House to support and speedily pass this bill.

• (1605)

If borrowing authority is not in place early in the new fiscal year there will be severe constraints placed on the government's financing program. Without passage it could lead to a situation in which no government bonds could be issued except to fund maturing issues. The bottom line here could be increased costs to taxpayers because it would expose the government to the additional interest rate charges and risks implied by increased short term funding.

Bill C–73 contains three basic elements: authority to cover financial requirements for 1995–96; a provision for exchange fund account profits; the renewal of a non–lapsing amount. In total we are requesting authority to borrow $28.9 billion for the 1995–96 fiscal year.

The largest element is the provision for $24.9 billion of borrowing to meet the net financial requirements as set out in the budget. There is a provision to cover $1 billion of exchange fund account earnings, earnings which would make necessary additional Canadian dollar borrowing requirements. These earnings, although reported as budgetary revenues, are retained in the exchange fund account. They are not available to finance ongoing operations of the government.

There is the well established, over the last seven years, $3 billion non–lapsing amount. This sum can either be used during the course of the year to manage contingencies such as the unexpected foreign exchange requirements or it can be carried forward into the next fiscal year.

There are some technical provisions in Bill C–73 that more clearly link fiscal year borrowing authority with fiscal year borrowing requirements.

For example, one provision provides that the 1995–96 borrowing authority may only be used after the new fiscal year begins. Another provision stipulates that for the purpose of calculating borrowing authority usage the effective date is April 1.

Until the bill is passed the government may continue to use the $3 billion non–lapsing amount provided for in last year's Borrowing Authority Act. Any portion of this non–lapsing amount used will be deducted from the basic amount of borrowing authority being sought today. This prevents the non–lapsing amount from effectively adding to the borrowing authority next year. Once it is passed, this bill will also cancel all borrowing authority remaining from fiscal 1994–95.

This bill is a regular feature of each year's legislative agenda. It contains no remarkable or unexpected provisions. Its supporting background was fully documented in the budget, the main estimates and related documents.

However, what is remarkable in both senses of the term is the clear, courageous and concrete action the Minister of Finance set out to set the federal deficit on the fast track. By doing so, our government is laying the foundations for continued national economic renewal and restored national unity.

I therefore encourage the House to approve Bill C–73 post haste so the new borrowing authority will be in place at the beginning of the new fiscal year, 11 days from now.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Madam Speaker, it is with pleasure that I participate in the third reading debate on Bill C–73, concerning the federal government's borrowing authority.

From the outset, we must say that the official opposition is against this bill. We are opposed to it because it flows from the last budget presented by the Minister of Finance of Canada.

So, logically, we are against the borrowing authority because we were opposed to the finance minister's budget. It is with great pleasure that, during the next few minutes, I will remind you of why we are opposed to the bill and of why we were so opposed to the finance minister's budget.

First of all, I would like to make it clear that we have never been against putting the fiscal house in order, on the contrary.

• (1610)

If you have an opportunity of rereading the Hansard for the last year, you will see that every time we had a chance to do so we asked the finance minister to have an item by item review, in

the normal course of activities of a parliamentary committee made up of parliamentarians, not of experts nor officials working on the sly, of all the federal budgetary expenditures, including tax expenditures, that is the various provisions of the Canadian tax legislation that allow certain individuals or corporations to avoid paying income tax.

That is absolutely not what we are challenging in the last budget, nor therefore in Bill C–73. We are against two specific elements of the budget. First, we oppose the means to be used to stabilize public finances, because we cannot agree with them. Those means include a downright offloading of the federal government's deficit problems onto the provinces, and also a downright offloading of the federal public financing problems for the unemployment insurance account, because year after year billions of dollars are taken off the UI account in order to address the public finance problem, and also budget cuts made at the expense of the neediest members of society, that is cuts in the transfer payments for social assistance and post–secondary education.

The second element of the federal budget we cannot agree to, and the second reason why we therefore cannot agree with Bill C–73 providing borrowing authority, is related to the fact that the real problem of Canadian public finances is hidden from the people of Quebec and Canada, and that is the explosive problem of chronic and massive debt, a problem that is likely to stay with us for the next few years.

If I may, I will take the next few minutes to review our major objections to the budget, and therefore to Bill C–73. As I said earlier, the first of these budgets over the next three years will offload the federal government's deficit onto the backs of the provinces. For the government of Quebec alone, this represents over the next three years a shortfall of almost $3 billion. In addition, not content with cutting transfers, the federal government is still attempting, even though it can no longer afford to do so, to impose its view of things on the provincial governments and on the government of Quebec in particular by imposing standards in all the areas where it has made cuts and where it is going to continue to cut in the coming years. These areas would include health, post–secondary education and social assistance, as I mentioned.

Just as he did last year, the Minister of Finance again this year went after the unemployed. Over the next two years, he will cut $7.5 billion in the unemployment insurance fund. Out of this fund, to which the federal government no longer even contributes, he will take $7.5 billion. What is this if not an indirect tax, because only employers and employees contribute to this unemployment insurance fund. And for three years now, the federal government has been merrily dipping into this fund, although it should not be doing so.

I would remind you that $7.5 billion in cuts represents 120 times what is being asked of the banks over the coming years. They are being asked to cough up $100 million as an additional, temporary tax over the next two years. The government is laughing in our faces when they leave the banks intact in this cost–cutting exercise and ask the unemployed, who did not make a profit of $5 billion last year, to contribute $7.5 billion to social assistance programs. This is how this government defines social justice and fairness.

These cuts are part of a vision of economic and social development that does not correspond with Quebecers' view of society. I would remind the Secretary of State, who said earlier that everyone was happy with the budget, that that is not the case. In Quebec, 58 per cent of Quebecers have just said that they are against this budget, that they are not confident that this budget can even begin to bring about job creation. So he should check his polls and he should also verify elsewhere than in financial circles the reaction to this budget.

• (1615)

I would remind you that, in the last budget, this government had so few concerns regarding jobs and unemployment that, for the only program of any interest—the infrastructure program—, it found a way to cut $200 million from this fund which had been set aside for investment in infrastructures across Canada.

I would also remind you that, in terms of employment, more than 800,000 jobs still need to be created, with all the jobs we have lost since the big recession in the first quarter of 1990. For this government, unemployment is not a problem, as the Minister of Finance indicated in his budget speech, but jobs are not a priority either.

We oppose Bill C–73, since, as it stems from the budget, it does not directly attack the duplication that is costing taxpayers billions of dollars. Moreover, as we have said in recent weeks, this duplication and overlap will continue. Members opposite who say this is not the case should have a look at the budget and note that nothing has changed in terms of expenditures or tax revenues.

They should also look at all of the departments. Not one department has been cut. Not one. If duplication and overlap were being eliminated, departments would be cut, because expenditures are being cut, and 45,000 people are being laid off. Where is the big machine being restructured? It is not. It remains intact and will continue to generate billions of dollars in wastage paid for with the income and other taxes of Quebec and Canadian taxpayers. This is the fine way the Liberal government manages public finances.

We oppose Bill C–73, because the budget is silent on one serious problem in the Canadian tax system: the many tax inequities. The budget contains no tax reform that would allow for a reduction in government borrowing on the capital markets. It contains only taxation measures and measures that will perpetuate the wastage, as well.

The Minister of Finance is not going after the tens of thousands of companies that pay no income tax. We have been drawing this problem to his attention for months. We have been saying for months that some 70,000 profitable companies in Canada do not pay income tax. The minister has done nothing to correct this tax inequity, this preferential tax treatment given business.

Neither does the budget contain any provision concerning 16 tax conventions entered into between the federal government and countries considered as tax havens for hundreds of millions of unpaid corporate taxes. In the end, the budget offers only superficial changes aimed at hiding the $7 billion cut in transfers to the provinces.

For instance, while the government announces that it will make permanent cuts to the unemployment insurance program, it is increasing, on a temporary basis, for two years only, the capital tax imposed on banks, which will raise approximately $100 million. This represents a fortieth of the profits made by Canadian banks as a whole, in 1994–95. Imagine the fiscal effort required of banks. Imagine the fiscal effort required of the Royal Bank, for instance, which last year recorded profits of $1.2 billion.

As far as family trusts are concerned, we are told that the very rich who, in Canada, do not have to pay any capital gains tax, for a maximum period of 80 years, on assets worth hundreds of millions of dollars held in family trusts, will see their benefits diminish slightly.

In his budget speech, the finance minister told us: "Do not worry. We will eliminate the undue benefits available to the very rich in Canada". He gives them four years to dismantle their family trusts, put their wealth somewhere else, and ensure that for the next four years they will not pay their rightful share of federal tax. This is a reflection of the inability and lack of political will on the part of the federal government to close the tax loopholes which benefit very high income earners, and explains the financial predicament it is in.

• (1620)

We oppose Bill C–73, which is a spin–off from the budget, because Canada still operates its farming sector with a double standard. To compensate western farmers for abolishing the western grain transportation subsidy, which enriched Prairie farmers by $560 million, they offer a direct subsidy of $1.6 billion to offset the decline in land values.

When a ways and means motion was introduced last week concerning the Crow's Nest Pass agreement, it was a replay of the problem we had in 1982 when another Liberal government attempted to abolish the same agreement and to compensate western grain producers without compensating those in the east, in particular in Quebec. They want to base compensation to western producers on cultivated acreage, not on whether producers exported their grain in the past and even benefited from the Crow rate. They want to compensate all western producers based on cultivated acreage.

On top of the $1.6 billion, western farmers will receive another $1 billion in loan guarantees and $300 million specifically earmarked for diversification. They are subsidizing the diversification of western farm products outright. These products will directly compete with Quebec products and this is what makes no sense: that close to $3 billion, of which 25 per cent comes from Quebec, will be dedicated to the cause of diversifying the economy in the west, which will eventually impinge on Quebec's share of the market.

An hon. member: We should give ourselves a good swift kick in the behind.

Mr. Loubier: That is the idea. And that is what the federal government is doing when it cuts some advantages and compensates one part of the country more than it should in a budget, while another region must content itself not only with a neutral budgetary position but must also assume some budget cuts without any compensation, as has happened to it time and time again. For example, the 30 per cent cut in dairy subsidies will hit Quebec the hardest. Why the hardest? Since about 50 per cent of dairy products, including cheese, yogurt and ice cream, are processed in Quebec, a large proportion of dairy producers live in that province. So let me tell you that the federal government's $35 million cut to dairy subsidies over the next two years is hitting Quebec hard.

It could even be said that this is a special measure against Quebec and its dairy producers. Where is the compensation for this $35 million cut? Do you know what this represents, Madam Speaker? In Quebec, this represents dairy production losses of around $4,500 per farm on average. In ridings with many dairy farms, like my riding of Saint–Hyacinthe—Bagot, this represents losses of about $8,000 per farm.

With annual net revenues of $25,000 per farm at the end of the fiscal year, you can say that this federal measure without any compensation, unlike what is being done in Western Canada, reduces Quebec dairy farmers' net revenues by about 25 per cent to 30 per cent. That is the federal budget for you, and that is why we are opposing it, Madam Speaker.

An hon. member: Shame!

Mr. Loubier: Yes, it is a shame, because they tell us we must tighten our belts, while cutting $560 million in Western Canada but compensating by injecting $3 billion in that region. This does not make any sense.

We are also opposed to the proposed measures related to international aid. They are cutting the international aid budget by $532 million, thus placing Canada, which already ranked pretty low in terms of the assistance provided to the millions of children who starve to death every year, at the bottom of the list of donor countries. When I see that, despite Canada's tradition of compassion, the federal government is maintaining until 1997 the $1.5 billion in direct subsidies to business while

cutting by $532 million the budget to help reduce child mortality around the world, I find this simply revolting.

We oppose Bill C–73 resulting from the last budget because this budget forgets a fundamental consideration: the federal government's chronic debt problem.

• (1625)

With the national debt currently standing at $548 billion, the federal government is responsible for over 70 per cent of the public debt burden in Canada. In terms of the size of the overall public debt, the debt of all levels of government put together, Canada ranks first among G–7 countries. Not a very enviable position.

Just at the federal level, the debt is so huge that debt charges alone presently account for more than one third of the taxes paid by Quebecers and Canadians. In the case of Quebec, for example, this means that of the total amount paid by the people of Quebec in taxes of all sort, which is about $30 billion, $10 billion goes to pay debt charges, that is to say the interest on this huge debt.

The last budget does not provide any relief, none at all. To the point that, next year, the portion of the taxes paid by all the taxpayers in Quebec and Canada that will be required to service the debt, just to pay the interests on the federal debt, will be more than 37 per cent, or a 4 per cent increase in just one year. Before you know it, in four or five years, nearly half of the taxes paid by the taxpayers in Quebec and Canada will go to servicing the debt. If you extrapolate these figures, five or six years from now, the federal debt, which will have increased steadily since the Minister of Finance tabled this budget, will be between $750 and $800 billion.

If the federal debt is already a huge problem at $548 billion, you can imagine what a problem it will be at $800 billion. It will be a nightmare in terms of public financial management. It will be such a nightmare that the Minister of Finance tried—we can talk about the response of the financial markets—to do some window–dressing. He does not talk about the debt any more. He does not talk about it. But based on the assumptions and growth rates contained in his budget, you get this $800 billion figure. This is not a figment of our imagination: it is reality.

Similarly, using the Minister of Finance's own calculations and the same growth rates, we arrived at the following conclusion: in five years, the percentage will be 50 per cent. In other words, the proportion of tax revenues allocated to federal programs, including transfers to provinces and individuals, and the proportion used to pay the interest on the debt will be the same. One year later, the tax revenues used to pay the interest on the debt will be greater than those allocated to federal transfers to provinces and individuals.

In the private sector, if we had a product to sell and if interest costs related to that product were greater than its value, we would have declared bankruptcy a long time ago, we would have gone belly up as they say. That will happen in five or six years, and this is what the Minister of Finance tried to hide from Canadians and Quebecers.

There are two major reasons for this enormous, chronic and inescapable federal debt. First, the federal system is obsolete. It can no longer meet the challenges of the nineties and of the year 2000; it does nothing to help the country adjust to the new international economy by being productive and competitive, by having the best possible products and skilled workers, and by striving to provide humane conditions in this new competitive environment. Such support is greatly lacking in Canada right now, but we hope to find in Quebec.

The second main reason why we have such an enormous debt is what is called the structural deficit. We are not making that up: it is mentioned in the Minister of Finance's documents and it has been for about seven years in the documents released by his department. What do these documents say?

• (1630)

The Canadian economy does not generate enough jobs. Since the unemployment level for the next three years is expected to reach 9.5 per cent in Canada and about 12 per cent in Quebec, it is obvious that we have a problem here. The annual deficit and the debt increase are caused by the fact that the people who do not work do not pay taxes, which means a loss in tax revenues. This loss of revenues is reflected in the deficit and then in the debt. This is the structural component of our deficit and our debt.

What does it do? It creates a spiral: we have foregone tax revenues, a higher deficit, a steadily increasing debt, higher interest rates following incursion into the capital markets and foreign borrowing, investors demanding incentives because our debt in not under control, which means we pay more interest and our debt service costs are on the rise.

Our debt service costs are rising, which entails another increase in interest rates, the expected investments are not forthcoming and all the jobs that we were promised and that we need—we are 800,000 jobs short—will not be created. This is the structural component of our deficit and our debt, and it never changes.

Why? Because there is no major change to this structural component in what was tabled by the finance minister. It remains with all the duplications, overlapping, federal interference and, now that the federal government can no longer live beyond its means, it is reducing its vision to its means. It goes after the provinces, imposing national standards and pretending

to have the right to do so for ever and ever. That is what flexible federalism is all about.

For all these reasons, the official opposition will reject Bill C–73 at third reading. This bill to provide borrowing authority stems directly from the budget. We, and Quebecers with us, have enough reasons to reject this bill. I remind you that 58 per cent of Quebecers are against this budget. They are convinced that it undermines job creation and economic recovery and that it does nothing to solve the basic debt problem, as I just explained. Therefore, we will reject it.

I would like to send a message to my fellow Quebecers. I would like to ask them what they want for the years to come. Do they want to continue to live in a system which will at best make decisions they will not necessarily agree with, because the Bloc represents only 25 per cent of the votes in this Parliament? Twenty–five per cent of a board of trustees, that is not much.

Do they want to go on within a system which has nothing to do any more with the image we have of a government of the 90s and beyond, with how we have been been percieving our society for the last 30 years? An image that we have tried to fashion through various constitutional conferences, through various negotiations, through various submissions in the history of Quebec?

Quebecers have been very patient. One could hardly be more patient than we have been over the past 30 years, trying to change the system a little so as to better reflect a reality that we have wanted to see reflected since 1867, that is the reality of two founding nations with some kind of recognition of Quebecers' legitimate aspirations.

Finally, we have two choices. We can stay in a system that is sinking—a big boat that is taking in water on all sides—a system that neither the federal government nor English Canada want to reform. This system may be satisfactory for English Canada, but it cannot be satisfactory for Quebecers with their particular aspirations.

Do we want to stay in this system or seize the opportunity that is offered to us this year to leave it voluntarily, maintaining the peace of mind that has motivated us over the last seven years since the failure of the Meech Lake Accord?

• (1635)

Would it not be preferable to get out of this system in a democratic way and to envision a less morose future than what we have had for several years with a system that is continually slowing down and that is becoming a burden, a ball and chain for Quebec and Canada's economic advancement?

I would say that if my fellow citizens get out of this system, they must do so by ignoring the fear–mongering campaigns and also ignoring the distorted analyses based on dubious methodologies and often containing a web of untruth.

Last week–end, I had the opportunity to take a look at one of these truncated analyses, one that distorts reality. I am talking here about the analysis made by Mr. Marcel Côté, from SECOR, and contained in a book entitled *Le rêve de la Terre promise ou le coût de l'indépendance*. That gives me an opportunity to digress somewhat, using the distorted elements of this analysis. Mr. Côté presents 15 questions on sovereignty.

[*English*]

Mr. Peters: Madam Speaker, I rise on a point of order. If the hon. member wishes to send a message to his constituents, he could probably use the post office or Statements by Members and not when commenting on a borrowing bill.

The Acting Speaker (Mrs. Maheu): I am sorry but that is a point of debate.

[*Translation*]

Mr. Loubier: Madam Speaker, I fully intend to prove that what I am saying is relevant to the budget.

I will not deal with all fifteen points raised and agreed by Mr. Côté. One is entitled to query these, however. I did select five which deserve a somewhat different treatment based on facts, on the truth, on genuine scientific methods and not on political bias and the kind of methods for which Mr. Côté is unique or occasionally, on a tissue of lies.

I will address point six in Mr. Côté's document.

Madam Speaker, since you asked the hon. member to sit down and show respect for the official opposition, I think he should show some respect for your decision as well.

Point six. Mr. Côté wonders what was the net benefit to Quebecers from the federal budget. You know what he said? Three billion. In other words, Quebecers get three billion more from the federal government than they contribute to the federal treasury. I say that is not true and is not borne out by the facts.

In 1991, when the Bélanger–Campeau Commission conducted its hearings, even André Raynauld, who is not known for his sovereignist views, concluded on the basis of a genuine analysis of public finances in Quebec and Canada that at the time, we were receiving more or less what we were paying to the federal government. In other words, the taxes we as Quebecers paid into the federal treasury and the transfer payments made by the federal government amounted to about the same, until 1988. Subsequently, we started getting less. And now, after the last two budgets and especially the last one, we see that, according to the experts where there used to be a surplus, there is now a deficit.

Take the Unemployment Insurance Fund. There is no surplus over what employers and employees in Quebec pay in to the fund. There is now a potential loss of $118 million. In other words, what the federal government pays in the form of unemployment insurance benefits in Quebec will be $118 million less than was contributed by Quebec employers and employees. The same applies to transfer payments. Mr. Côté is definitely out to lunch.

• (1640)

Federal transfer payments to Quebec were cut by 32 per cent for the three year period from 1994 to 1997. Therefore, in my opinion, Quebecers are currently in a deficit position when we compare the amount of taxes and income taxes that they pay to federal coffers with what the federal government spends and invests in the province of Quebec.

So, why did Mr. Côté say what he did? Do you know why? Because he took federal spending as a whole and divided it by the population. This methodology is not only dubious, it is also dishonest. As an economist, Mr. Côté has no right to make such a calculation. He does not have the right and, what makes it worse, he knows it. He knows, for example, that Quebec never gets one quarter of research and development spending or agricultural spending, and that, from 1984 to 1993, the federal government only spent 16 per cent of its total investments in Canada in the province of Quebec, although Quebec accounts for one quarter of the population. He knows this but it did not stop him from saying such rubbish.

I am happy to see that I have a few minutes more. I will go on to point 7. What does Mr. Côté say a sovereign Quebec could hope to save by eliminating overlap? No more than $500 million.

How did Mr. Côté arrive at his figures? I am going to let you in on it. I would like to say, though, that I am almost ashamed to tell you because it puts economists in such a bad light. He took 10 per cent of the federal government's operating budget, so 10 per cent of $18 billion is $1.8 billion, and he multiplied it by 25 per cent, which is the population of Quebec, and he got $500 million. Just imagine, Madam Speaker! I have never seen such an analysis, except the utterly preposterous one which the Royal Bank delivered during the Charlottetown debate, according to which almost one half of Canada's population would flee to the United States. Mr. Côté's calculations are not any better.

In 1991, the Bélanger–Campeau Commission, which used exact and scientific sector analysis methods, calculated that, for three items of expenditure alone, Quebec would save $800 million: $289 million in tax and income tax administration; $233 million in the communication and transportation sectors; $275 million in the job training sector (this figure was issued by Gil Rémillard and Marcel Bourbeau).

Using a ludicrous methodology, Mr. Côté says that we will be lucky if we save $500 million overall.

When we speak of duplication and overlap, we are not just speaking of administrative expenses. We are speaking of inconsistent policies, manpower policies that have the federal government going in one direction and the government of Quebec going in another, with the result that at a certain point no one knows what anyone else is doing and there is no more sustainable job creation. These are more of the costs of duplication and overlap.

The endless negotiations on regional development are another example of costly duplication and overlap. They go on for years and years, while entire regions are left hanging. This is the cost of duplication and overlap, not just ordinary administrative costs, especially according to the arbitrary and completely ridiculous method used by Mr. Côté.

Mr. Côté's eighth question was what percentage of the debt would Quebec inherit? He starts out by saying that it will be according to population, therefore 25 per cent. Why would we pay more than our share of the debt today? Why, when Quebecers are covering 23 per cent of the cost of servicing the debt now through the taxes they pay, would they take on 25 per cent the day after sovereignty? Here, already, Mr. Côté seems intent on artificially inflating the figures he is presenting. We are paying 23 per cent of the cost of servicing the debt at the present time and it is too much.

Why is it too much? Because our assets in Quebec do not justify our paying 23 per cent annually to help service the debt. And the Bélanger–Campeau Commission made it very clear, with three international observers who confirmed the commission's calculations. The proportion of assets in Quebec is 18.5 per cent, and it is therefore 18.5 per cent of the debt that the government of Quebec would inherit, with sovereignty.

• (1645)

So, why did Marcel Côté ignore this fact? Why did Mr. Côté, who has a degree in economy, choose to ignore a basic fact, unless he has forgotten what he learned in his economics classes, in which case he can no longer claim to be an economics expert or write books on the costs of sovereignty with titles such as *Le rêve de la Terre promise*.

One last thing. I would like, at this stage, to say that this man really talked through his hat. He does not know the first thing about the subject and it shows. Third, Mr. Côté wonders if Quebec dairy producers could continue to sell their products to Canada at twice the world price and expect to receive what amounts to several millions in subsidy from Canadian consumers every year.

Three things are incorrect in this short statement. First, it is incorrect to say that the price of dairy products in Canada and Quebec is twice the price on the international market. It is not true. Second, dairy production, which is subject to interprovincial distribution through quotas, is centred on processing milk to make cheese, yogurt, ice cream, mozzarella and what not. This is the part to which an act of Parliament and a federal milk subsidy apply.

If our products in Quebec were not competitive, if they were not competitive in price and quality, they would not sell on the Quebec market, they would not sell on the Ontarian market or even in some specific segments of the American market. They would not anywhere. The fact is that Quebec's milk production is quite competitive and if 50 per cent of all the industrial milk produced in Canada is currently produced in Quebec, it is because we have great producers in Quebec. We have the best, and I dare you to compare the productivity of Quebec milk producers with that of American producers.

What we have been presented with is basically a tissue of fabrications, as a scare tactic, and let me tell you that while cut–throat competition may have characterized international trade before 1947, it is no longer the case. It is no longer a free for all. There are specific rules, the GATT rules or the rules of the World Trade Organization. According to these rules, no GATT member, whether it is Canada, Quebec or the United States, regardless of its size or importance, can block the export of dairy or other products to its territory, for reasons of politics or resentment following a democratic vote by Quebecers in favour of sovereignty. So, Mr. Côté can go back to the drawing board.

As regards the issue being debated here, the official opposition will oppose Bill C–73, which provides borrowing authority to the government, since it is the direct consequence of the Minister of Finance's budget, which is fundamentally unacceptable.

The Acting Speaker (Mrs. Maheu): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Sherbrooke—Stay in School Program.

[*English*]

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Madam Speaker, it is a privilege and probably an honour to stand in the House and speak to this borrowing bill.

I have heard a number of comments from the Liberal side and also from the hon. Bloc people. During my speech I will point out that sometimes we in the west also feel that we are mistreated and we have some reasons to gripe about things.

By now we are probably all aware that Liberal governments of the past owned the patent on borrowing. It has become clear that they know how to borrow and they love to borrow.

My brother who is a medical doctor always tells me that when you have a problem with a patient and you cannot pinpoint what exactly his ailment is you should look back into the medical history of that person, a generation or two, and see what the family history tells of their previous problems. After looking at the Liberal government we start to realize that it has a borrowing problem, probably called spendingitis. It seems to be more or less the system that it used during the seventies and early eighties.

• (1650)

I would like to go back to a few comments on Liberal governments of the past so that we can put into context why we are having this problem.

When I came home from the Soviet Union in 1981, where I saw my $3.50 wheat was being sold for $20 a bushel to the citizens there so they could keep their livestock alive, it bothered me. What bothered me more was seeing in the local paper shortly after I got back that the Soviets were applying for credit from the western nations to a tune of $40 billion for a period of 30 years at 4 per cent.

I thought that sounded interesting. The Liberal government at that time in 1981 were trying to bring down inflation and we were saddled with 24 per cent interest rates in the farming community. I wondered how the Soviets could try to coerce us into borrowing money at that rate.

I thought it might be interesting to read through *Hansard* and see what really happened with that request. This is what I found. This is the hon. member for Winnipeg—Assiniboia speaking on Bill C–130, an act to authorize continual financial assistance to be provided to certain international financial institutions. This is from *Hansard*, so it is recorded in history and will probably stay there for all time. It states: "I have considerable experience with CIDA and foreign aid going back to 1975 when the Liberal government tried to conceal information regarding loans to Cuba. It provided public information that the loans were being made at an interest rate of 6 per cent and higher.

However, I obtained internal documents which showed that it was concealing the interest rate being charged on loans to Cuba which was zero and 3 per cent. Also we are well aware of the low interest rate loans to the Russians for the building of a gas pipeline.

The Liberal government is borrowing money at 17 and 18 per cent and lending it to the Russians at 12 per cent. This is a great loss to the Canadian people. In addition loans are being made for the building of statues in other countries.

In 1975 I presented a motion to the Standing Committee on External Affairs and and National Defence calling for a full scale investigation into foreign aid. I did this because of all the secret documentation which had come into my hands with regard to hidden loans, hidden percentages with regard to Cuba. This of course was defeated by the Liberal members on the committee. The last thing they wanted was an investigation into CIDA. I certainly commend you, Mr. Speaker, because you were the lone Liberal to vote with the Conservatives in the committee calling for a full scale investigation into CIDA".

Does that not remind us all of what we have been hearing in the House the last while? Spend more, borrow more, try to justify it by covering it up a bit.

When I hear the Bloc members today complaining about the bad treatment they have had in the east, I would like to remind them that during the Liberal regime of the seventies, which was called the just society, we very quickly learned in the west that it meant just the east, not the west. One hundred billion dollars of national energy money was siphoned from the west into the east. If that is mistreating the east, I cannot really say where that theory came from.

• (1655)

Not only was the Liberal government not too concerned about the west, but to give us a goodbye it aimed its guns at the Crow and killed it dead. However it felt a little regret so it gave us the WGTA, which I consider as the Liberal vulture of this century. What did this Liberal vulture do for us? It gave us subsidies that guaranteed railways a return on investment and also a return on operations, no matter how efficient they were. That is why today we have strikes like the one presently going on.

During this era the railways siphoned off $7 billion in subsidies. These subsidies did not go into the pockets of farmers. They probably went toward purchasing rail lines in the U.S. Today they own more track in the U.S. than they do in Canada. The CN and the CP can deliver grain on their tracks all the way to Mexico.

The WGTA allowed the railways to enter into contracts with its workers where after eight years of work for the railway there was a lifetime guarantee of a job and pay. I wonder where the farmer has been considered and where these subsidies have gone.

During all these years of Liberal and Conservative governments, we borrowed and borrowed. That is what we are debating again today. As farmers in the west we had to contend with the dusty red grain beetle. Today another insect has entered our grain bins. I want to call it the red book worm.

This red book worm is not just eating up the grain, it has taken our bins, our machinery and our land. How we are going to exterminate it, I do not know. I do know we have to put up with it for at least another three years.

In 1984 when the Liberals turned their patent on borrowing over to the Conservatives, the national debt was $200 billion. During the nine years of Conservative government, it was increased to $450 billion.

It is interesting. I do not think the Liberal members in the House did too bad at that time. For their troubles and their efforts in the House, they somehow continued to build up MP pensions which today are worth $120 million, according to the National Citizens' Coalition.

Is it any wonder that we have to borrow and borrow instead of paying some back? It makes me wonder when the taxpayer is finally going to stand up and say: "This is enough". We heard quite a bit of that recently. Maybe it is sometimes wise to let a symptom grow until it finally busts a vein or kills the whole system. That is probably what we will experience in the next Parliament.

Last session this Parliament was controlled by a party that can now get into a Honda Civic. Soon we may have another one that only needs a table for one. It is almost enlightening to witness that.

• (1700)

During 1993 we in the west heard so much about this tremendous Liberal machine, this red book machine that was going to change things around just like the Mulroney government was going to do. The Liberals claimed they had the people, they had the plan: jobs, jobs, jobs. I wonder what those at the research station in Morden say after losing 40 per cent of their jobs and PSAC losing 45,000. The plan got sidetracked a little bit.

The Liberal ticket in 1993 was to jump on board; get on the Liberal train. "This is the train that is going to board at the land of opportunity and take you to the promised land of milk and honey," as the Quebec members would say. After two budgets, I think we should rename the train the Liberal train to ruination. Board at Fantasyland; pass through Hooterville and Never Never Land; final destination: Poverty Point, the land without milk, bread or money.

I had the pleasant experience of getting a phone call just before the break from the Manitoba dairy farmers and milk producers. They wanted to talk to me all of a sudden. During the election all I heard was to vote everything else but Reform. All of a sudden, these people wanted to talk to me.

I made the effort and said I would talk. I appreciate visiting. I asked them what was the concern. They said that during the election they heard the Liberals promising how they would

protect article XI and how they would support the dairy farmer, and how they would make this thing as golden as they could for all the dairy producers. I was told that the Liberal dairy policy kicked the farmer's milk bucket over into the gutter.

They have lost 30 per cent of their subsidies. That is protecting the dairy farmer. They told me I had warned them that subsidies would have go to, that they would have to go tariffication. It makes me feel pretty good that once in a while I do seem to side with the right people. It is not very often when you are a farmer, but in this instance I was right.

What the dairymen told me was astounding. They said they did not mind losing 30 per cent of their subsidies but the Liberal dairy policy took its dirty ugly tail and hit them another swipe right in the eyes. The Liberals did away with the funding for the genetic recording and milk allocation programs, while the United States increased the program by $600 million. This is the level playing ground that the Liberals are giving to the dairy policy.

I can assure you I think these people will make an *x* twice before the Liberals in the next election, striking out the name and not voting for it.

Mr. Crawford: Never.

Mr. Hoeppner: We will see. I think there will be some changes made. Who knows what can happen?

I would like to clear up a few misconceptions this afternoon—if I have the time but it could take more than I have—that farmers have been getting all these transportation subsidies. I have learned a few things since I have come to sit on the transportation committee. I hope the hon. members from Quebec are listening.

• (1705)

I really love Thunder Bay port because while I was farming, every time I turned on the combine it went on strike. You can see my love for that nice little port. In testimony before us at Thunder Bay, as the witnesses came before us, I was astounded I had never heard about some of these things.

Do you know that a pilot who gets on a ship at Montreal and takes that ship through the locks and the lakes up to Thunder Bay charges just approximately $2.65 a tonne for his services? This is 15 per cent of the total freight cost from Thunder Bay to northern Europe. These pilots—I call them pirates, not pilots—charge a range of from $3,800 to $5,000 a day. That is where grain transportation subsidies are going. No farmer, no manufacturer, no producer or processor ever can expect wages like that. That is not the whole side of that story.

This pilot association is run by a federal crown corporation which over the last 20 years has cost the taxpayer $50 million. This year, that corporation is going to be in debt to the tune of $5 to $7 million. Are you surprised why we have to continue borrowing? This borrowing disease, this spending–itis is going to bankrupt this country one of these days. I am wondering what labour unions will say then.

Another few interesting facts I found out, usually when we talk of $500 million in transportation subsidies to farmers, that is all somewhere in the farmer's pocket or bankbook. I will throw in a few more figures and tell you what fair treatment we do get by some of our terminals.

In Thunder Bay, Cargill Grain pays $1.002 million in property taxes. A couple of hundred kilometres down the road at Duluth, $64,000 is paid. Then we wonder why farmers are looking south of the border to try to move some grain.

I will give some stats I received at these hearings. They are based on tonnages of storage and property tax per tonne. At Vancouver it costs $6.27 per tonne of storage for property taxes. At Thunder Bay it costs $8.03 per tonne of storage for a terminal. At Duluth it costs the American farmer 27 cents. AGP, Inc., another grain terminal, is paying 15 cents. And we as farmers are being accused of taking subsidies. These subsidies are going to taxes that have been developed by overspending, mismanagement and corruption.

I want to tell the Liberal members from the west coast when the transport minister talks of becoming a market economy and becoming more efficient, the farmers with some government help did build the Prince Rupert high throughput elevator so that we could move grain faster. But what has happened there? Because we can move it faster than Vancouver, we are not paying $6.27 per tonne. We are paying $16.43 per tonne for property taxes. Now tell me, how do you think the producer can stay alive with those types of inconsistencies and discrimination?

The story does not end at Thunder Bay. Manitoba Pool Elevators testified and pointed out that for the same type of operation in Thunder Bay, it also paid $110,196 in corporation taxes. In British Columbia $18,615 was paid for the same amount of operations.

• (1710)

After hearing these figures when the labour unions came before us I could hardly sit still. I told those gentlemen that I knew a lot of times we in the west were being downtrodden but I never thought it was that bad. I said that when I went home I would tell every grain farmer not to ship one more bushel of grain through Thunder Bay because I am fed up with it. If I have to, I will take every bushel of grain to Churchill by dogsled before I will ship a bushel to Thunder Bay. Something people have to start realizing is that things have to change or there will be no producers left.

If they want to realize why we have to borrow because of this WGTA, which I called the vulture, in testimony before the standing committee on agriculture Ted Allen said that they have not rationalized the rail system or the elevator system in a very significant way or as significantly as they should have for about

10 years because the Western Grain Transportation Act encouraged them not to make those changes.

Now we have a system that is 10 years behind the American system. This Liberal government is throwing the whole mess on the farmers' backs saying: "Fix it. We got you into the mess. Here it is. Help yourselves". It astounds me that politicians cannot see that if they do not have producers or manufacturers they do not need a rail system. One of these days we will smarten up and realize that.

How inefficient is this system? I would like to read a few statements made by Ted Allen. Last summer he said: "We moved two vessels seven times to different terminals for a load of barley. It took a long time. Every time one of these vessels moved one way, it cost $18,000". Now you are trying to tell me that is the farmers' way of doing business?

A 25,000 tonne vessel went to Mexico in November 1994 on which there was loaded 9,000 tonnes of No. 1 Red, 5,000 tonnes of No. 2 Red and the balance, less than half, was No. 3 Red. Who do you think paid for that? The western farmer.

This government tries to tell us that Mexico is dictating to us telling us to take the subsidies off grain transportation or it will not buy. Something is wrong in this country when a government that has a $2.5 billion trade surplus with us tells us what we have to do.

I have raised four children and four grandsons. When I see my wife giving an equal number of crayons to the youngsters to play with and one of them says: "My colour is not right, I want yours," and the other child does not ask for one in return, very soon one of the kids is without crayons. That is exactly what has happened to our agriculture policy. Everybody has taken our crayons and now we have nothing left to colour with. It is sad but it is a fact.

There are a few other statements I would like to read. I was pleased last December when the transport minister acknowledged that labour on the Canadian railways was 64 per cent as efficient as the U.S. We were losing about 40 per cent efficiency in the labour force on the train system.

Using simple mathematics, I have used 50 per cent, giving them the benefit of the doubt. If 50 per cent of the labour costs are wasted, out of the 22 million tonnes of grain we export and the $10 million we ship internally farmers lose $220 million. That sounds as if the farmers are getting rich on transportation subsidies.

• (1715)

Not only that, there is good reason to wonder why the grain elevator system tariffs are as high as they are. When we compare the results of shipping through the U.S. on terminal and primary elevator tariffs, we lose roughly another $360 million. There is over $500 million gone right there. Where are farmers putting the money into their pockets? I hope someday we become honest enough to look at these problems and address them so we can resolve them.

It is always encouraging to see some people trying to solve these problems. I am impressed with some of the statements we have heard from members on the opposite side. I think if they would really buckle down and do what they are saying, a lot of things would get resolved.

Verbal agreements or promotions of some things are not as good as the real thing. I was not surprised by some of the statistics in the papers when Team Canada went off to Europe. It was to really promote some industries and get some extra business for this country.

I could not believe some of the results that came back from that meeting. I had been talking in the House about the agriculture subsidies, the boneless beef coming into Canada and how the GATT had more or less set quotas of 75,000 tonnes. Then I saw the trade minister in Australia and New Zealand promoting more offshore beef into this country while we were being told at the same time to diversify by increasing beef and pork production.

I have seen them over import 30–some thousand tonnes of boneless beef which was more than the GATT organizations had set for a quota; 30,000 tonnes went straight from Canada into the U.S. It reminds me very much of the cap that was put on our wheat because of our wheat board and grain companies dumping grain.

The problem here again is that Australia and New Zealand have a $300 million trade surplus with us. We are borrowing this money. What are we paying for interest? What is it costing us for jobs? Five jobs are lost for every boner cow exported to the U.S. instead of doing it ourselves. Is this job creation?

It really took the cake when Xcan, which I imagine was a member of the Team Canada approach, went to China and probably started looking at investment opportunities. There was a news release on March 2. This astounds me: "Pools pull out of China project".

• (1720)

The three prairie wheat pools have decided to drop out of a malting barley plant development in China. The pools, along with the ITI world investment group, were negotiating with the Chinese to build a $58.8 million malting plant in Quingdao, China. Barley would be sourced in Canada and Chinese beer would be brought back into this country. That is diversification. That is the type of support we get from our own agriculture community. Where do we go next?

I would like to dwell for a few minutes on an issue that has been very near and dear to my heart, the inquiry I asked the justice minister to make into the dumping of Canadian wheat into the U.S. I provided the facts I had from farmers who had taken samples and had given me the information. I acquired the documents from the U.S. customs people on what had happened. When I found out that $3.50 a bushel of wheat was being exported into the U.S. by Sask–Pool at $2.02 to $2.05, I could not believe it. For every bushel of grain that we are exporting at

that price into the U.S. we are hurting our own economy because we are losing millions of dollars that could be running our country and promoting more industry.

When this hit the news the co–operator phoned Lorne Hehn, the chief commissioner for the Canadian Wheat Board. Mr. Hehn said: "Sales of 1992 wheat to American companies could have lowered prices or plugged individual elevators, but I don't believe our sales into those areas really impacted on the price in a negative way". One can dump grain at lower prices and plug elevators and it is still not impacting in a negative way. This is his reason: "We were very careful about that factor. Prices for feed wheat rose during the year, while large Canadian sales were being made so that proves that price pressure was not there".

When in an up market we can dump grain into the U.S. at half price and the market continues to go up, how is that helping our country? Can members see why American farmers are furious? I do not blame them one bit. It is unbelievable but those are the words of Mr. Hehn.

What do we do about it? I have waited for two months now to see what is going to happen and so far nothing has happened. I made a challenge under that news release on behalf of the pasta producers in western Canada. They came to see me around the middle of November, claiming this heavily subsidized pasta from Italy was coming into our country and they could not afford to process at that price any more.

When I showed my facts and figures to the prairie pools which were a little upset about my claims, I do not know what happened. They all of a sudden sat back and had no answers. This is what is happening in our pasta industry today.

We sell durum wheat to the Americans for the pasta industry. We sell it to the Italians. The Americans bring back into this country on a yearly basis about 40.896 million kilograms of pasta for a value of $84 million. This pasta is costing us about $2 per kilogram. The Italians ship in 17 million kilograms of pasta at $19 million, about half the price the Americans are putting their pasta into this country for.

• (1725)

I asked representatives at the prairie pools if they could explain how we can sell durum wheat to Italy, ship it over there, have it manufactured and bring it back into this country for half the price. It is not subsidized. They just shook their heads and said they have no explanation.

Do we know what that means in Canadian dollars? I wish somebody would figure it out. Italy has a $982 million trade surplus with Canada. We are borrowing almost a billion dollars to have the Italians process pasta and then ship it back into our country and we pay the interest. That is supposed to build a country? That is supposed to help us diversify? I wonder how. I hope somebody can explain that to me.

We have heard so much about R and D, about where the money is really coming from. The Reform Party has said time and time again that R and D is one of the most important things and we will never cut that back.

Here is a statement a Liberal member made in Manitoba. I feel these people do have a grip on things but they are afraid to stand up for what they believe in. The government member needs to focus on the fact that dollars spent on research and development are returned 10:1 in the livestock field and 40:1 in grain. He said currently only 17 per cent of government spending on agriculture goes to R and D. What an enlightening statement from an hon. Liberal member.

I will point out what the government has done for R and D. While a budget background document cites a 11 per cent cut to agriculture research, almost half the total, 2,069, job cuts came in research; 779 research scientists will retire or join the UI fleet; 138 vacancies will not be filled. While the white coats may have been hit hard by the budget, the white collars survived relatively unscathed; 149 full time positions were removed from the corporate services. The fat in Ottawa continues while people in the rest of the country get cut.

I encourage members to not only stand up and make comments but provide action. History will record it, no matter how we joke about it. When I read in *Hansard* about what took place in the 1970s and 1980s, it is there forever, and that is exactly what is going to happen here.

[*Translation*]

The Acting Speaker (Mrs. Maheu): I wish to remind the House that we are now starting the five hours of debate. Each speaker will have 20 minutes followed by a 10 minute period for questions and comments.

[*English*]

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, I will be sharing my time with my hon. colleague for Waterloo. I have been listening to my fellow colleagues from the Bloc and the Reform. I felt very depressed when they talked about history and all the things that have gone wrong in the country.

• (1730)

The reality is we have a very good and very strong country with a bright future. It is five years before the 21st century and it

is time to focus on how we need to change. We have had a good history together but there are things that have to change in the country. That is what the budget and the borrowing authority are linked together to do.

My colleagues have possibly missed the real point of the budget. I became involved in politics and came to the House for some of the very fundamental reasons we are discussing today. I was very concerned about where our country was going economically.

I can see where we have overborrowed and where we have made lots of mistakes. We made genuine mistakes because we wanted to do the right things. In some ways they went askew but we are learning the process of government. The budget is an attempt to address how we will change. I would like to deal with the basic concept of how the budget is about change and about a new future for Canada.

I took the time to go to my riding where I conducted a number of tax forums with the professional community and lay people. While there were some exceptions to parts of the budget, they were all very supportive. They said that it was about time a government had taken leadership to try to move us away from our debt and deficit problems to a new tomorrow. The younger generations were concerned that they would never have better incomes or a better way of life than their parents. These negative aspects existed prior to the budget. The country feels a lot better today because of the actions of the Minister of Finance.

In what ways are we changing? We could talk about the history of the country which is good. I am a great believer in history. The lessons of the past teach us a lot about the future. Also some of the things we did in the past have not worked very well.

Basically the budget is about seeing government a little differently than we possibly have in the past. We see government today as being a referee of the country, a referee between business groups and individuals, making certain that people disenfranchised by the system become part of the system and making certain that the wealthy do not abuse their power. Some things in the budget try to strike a path toward the 21st century in which all Canadians can share.

How is the budget different? I do not remember a government bringing in a budget like the one for this fiscal year which was $2 billion lower than projected. I do not remember that in my lifetime. We have developed a whole culture of assuming that every time a government brings down a budget it will overshoot it. The government did just the reverse and the people of Canada are happy about it.

How are some of the things we have done in the past being addressed in the budget? We have a bloated civil service. It is not the fault of people in the civil service. Nor is it the fault of anyone in particular. It just happened. It happened in all other governmental administrations in the western world.

Technology has caught up to Canada. Sometimes it caught up with us a lot faster than we wanted it to. In some ways people are having problems with job security because the country is being pushed into a technological framework with which we have to deal. It is global. It not only affects Canada. It affects all countries of the world. We will either be part of it or we will be washed up on the shores of disaster by not taking it into account.

We need to restructure the civil service in fundamental ways. Not only do we need to reduce some of the numbers within the civil service. We need to do it equitably as well.

• (1735)

There is a human side to the downsizing buzzword. There are real people involved. The government is committed to finding approaches to retraining and to finding new entrepreneurial skills so people will be able to share in the massive expansion of our labour market which saw over 422,000 new jobs created last year.

By restructuring the civil service we are also talking about a new way of government. We want the civil service to be more responsive to the needs and the desires not only of government but of the people generally. It should be responsive to the needs of the community. We need more quantifiable measurement tools to remunerate people and progress them based on their success. This is healthy for government and for the civil service because it gives them a future and it gives them a challenge. After all, that is what most human animals really want.

What other areas do we need to change? The government has come to the conclusion that it cannot be an interventionist in the economy any more. In past times it has worked; new industries and so forth have been created. Today we simply cannot afford it and it has not been very efficient. I think governments are realizing that business can run business a lot better than they can. That does not mean we give a total licence to business. It means that we temper it and recognize the rights of citizens. At the same time we realize that governments should simply govern and business should do business.

How is this affected by the last budget? Clearly privatization of CN is one such aspect. Another one is the possible sell off of Petro–Canada. In a number of other areas the government will gradually withdraw and allow the private sector to make up the difference. It is good for the economy and it is good for the taxpayers of Canada.

That came through loud and clear before the budget, indeed in the last two or three years. Canadians feel overtaxed. They do not think they are getting value for their tax dollars. They want us to be more efficient. That is what the budget was all about.

We are downsizing. We are also cutting out subsidies to industry. Different types of people are living off the governmental system. One is industry living on subsidies and getting grants. These things will be curtailed. Most people in the

business community recognize that it is no way to run a business.

I referred to subsidies. We talked about rail subsidies with which I will deal in a minute. There are also grain subsidies. The first intentions of a subsidy program are usually good. We want to encourage some kind of action. Unfortunately what invariably happens—and history has told us—is that it becomes a dependency. It distorts trade.

We have heard from many members about grain travelling all the way to Thunder Bay when it is on its way to California from Regina. These are some of the ridiculous aspects of subsidization. We need to create value added products in Canada and I believe by reducing subsidies we will do just that.

Industrial milk production is another area that will be curtailed by subsidy programs. We need to become more competitive. GATT has told us that we will have to be part of an international marketplace. Gradually reducing tariffs is a way to make the Canadian economy much more efficient.

The rail industry is on our mind these days. Much like government it has some prehistoric systems within its employment structure. Some of the contracts entered into hearken back over 100 years to a guild system. I understand there are still blacksmiths in some machine shops in Toronto. We pay people to be blacksmiths even though the whole industry has disappeared. We must revisit the contracts that people have with the government through crown corporations. We cannot let job security ruin the security of the whole country.

• (1740)

We have to revisit these matters. We have to retool the country. We have to make it whole again. That is what the budget was all about. It was positive in terms of change for Canada and for the people of Canada.

[*Translation*]

Mr. Jean–Guy Chrétien (Frontenac, BQ): Madam Speaker, I listened with great interest to my colleague from the government party. It is quite surprising since on the front page of this morning's *Le Droit*, a veteran of this party is described as a lion that turned into a mouse.

How things change. When the hon. member for Glengarry—Prescott—Russell sat on this side, he was a member of the so–called "rat pack". He was a very dedicated member, especially for his constituents, including the many farmers in his riding. The article says that the hon. member "was uncompromising on agricultural issues, denouncing all the measures likely to affect the farmers making up a large part of his constituency. Today he never opens his mouth".

My colleague from the Liberal Party has 1,001 good things to say about the budget tabled a few weeks ago, for which we now have to provide borrowing authority. He is currently sitting on the government side. In four or eight years at the most, he will find himself on this side of the House, or elsewhere looking for employment. However, with some members of his party finding themselves again on the opposition side, he will rediscover his old rhetoric as a member of the opposition. I ask him whether he is really sincere in listing all the good things about the budget?

[*English*]

Mr. Shepherd: Madam Speaker, the hon. member of Glengarry—Prescott—Russell is still very much a lion in the House. I have heard him at various times assaulting the policies of the member's party and I think he does it quite well.

Talking about absenteeism, we have in our minds how much space we will have on this side of the House at the end of June. We are certainly looking forward to it. I could certainly use a lot more space when I conduct my business. I would be happy to observe that when we come back.

It is a borrowing bill. I would be happy to stand in the House some year when there is no borrowing bill. That is where the budget is taking the country. It will reduce the need to borrow on the market and hopefully get the country in the position where it can actually calculate surpluses.

That is what this is all about. I am sorry if my colleague has missed that.

Mr. Andrew Telegdi (Waterloo, Lib.): Madam Speaker, I am pleased to have the opportunity to speak in favour of Bill C–73 and to express my thoughts on the budget delivered by the finance minister on February 27.

I will make a short response to the comments made by the Bloc Quebecois and the Reform Party in debate. It is worth recalling the climate or the mood in the country before the budget was brought down on February 27 and the political instability posed by the possibility of Quebec separation, which continues to be a problem.

The BQ complains that we cut too much and that we singled out Quebec for the cuts. The Reform Party claims we did not cut enough and that we were unfair to western Canada. If Bob Rae, the New Democratic premier of Ontario, had his say, he would tell us the budget was unfair to Ontario.

• (1745)

These three groups were disappointed by what happened in the budget. The BQ is disappointed because the budget is no help to it in the upcoming referendum, where it will destroy Canada as we know it, as well as the economy of Quebec. The Reform Party found that its tax revolt did not materialize. The Reform Party has been doing its best to add a couple of percentage points

to borrowing costs by forever preaching that our fiscal situation is not sound. As for Bob Rae, he is also disappointed because he does not have a launching pad for the election in Ontario.

The finance minister is putting Canada's fiscal house in order. The budget outlines concrete measures for real deficit reduction and fulfils commitments made by the Liberal Party during the election campaign. The government had to make difficult decisions in the budget process. The Kitchener–Waterloo *Record* from my community said the budget showed how tough it is to eliminate the deficit. The budget is tough but it is also fair. Everyone must share the burden of deficit reduction.

The Minister of Finance has worked hard to ensure that spending reductions are balanced evenly in all regions. The government's deficit targets are reasonable and achievable. The Reform Party should learn from the lessons of previous governments. We cannot balance the budget with unrealistic deficit targets.

Over the last few months I have spoken to many constituents about what they wanted in the budget. They wanted the government to reduce the deficit through spending cuts and not through tax increases to the average citizen; do not tax health or dental plan benefits; do not tax RRSP contributions; increase taxes on large and profitable corporations; make the public service more efficient and effective; eliminate the waste of hard earned tax dollars.

The budget shows the government has listened to the concerns of ordinary citizens. The Minister of Finance has focused his efforts on spending cuts. He recognizes the heavy tax burden borne by average Canadians. The minister has not raised personal income tax rates and has not taxed health or dental plan benefits. For most Canadians the RRSP contribution limit has not changed. The budget also makes taxation more equitable. Large corporations will pay their fair share of taxes. The profitable banks will pay a new temporary tax. The taxation of family trusts will be tightened. Individuals will no longer be able to defer tax on business or professional income.

The Minister of Finance has also made a commitment to reduce the size of government and eliminate unnecessary expenditures. The minister has said a basic philosophy of program review was the federal government should not be doing what someone else can do better.

I urge the government to stop the military's rip off of taxpayers' dollars by inefficient management of government moves. The government should implement its own reports and contract out move management, as was recommended by so many of the government's committees.

The government has consolidated its transfers to the provinces for health, post–secondary education and social assistance. The new Canada social transfers will be more effective and more sustainable than the old program funding. The CST will mean a drop of about 3 per cent of provincial revenues. However, it will also give the provinces more flexibility to structure and innovate their social programs.

This small change in funding to the provinces will not affect medicare. The federal government will still enforce national standards for health care. Medicare will continue to be universal, comprehensive, portable and accessible.

The government has protected the average senior citizen with full indexation to protect them from inflation and old age security on the basis of family income.

Education is an important concern to my constituents. The riding of Waterloo includes the campus of Conestoga College and two of Canada's leading universities, the University of Waterloo and Wilfrid Laurier University. The concentration of post–secondary students in the Waterloo region is the highest in the country.

Post–secondary institutions have played a crucial role in my community's economy. The residence of the Waterloo riding are proud of Canada's record of excellence in post–secondary education. They also know our education system must continue to develop in order to meet the challenges of the next century.

• (1750)

I am pleased the government has reaffirmed its commitment to our internationally renowned system of higher education. We need to ensure our post–secondary institutions are accessible to our youth who must compete in the international marketplace. We must maintain accessibility through the income contingent loan repayment scheme.

The University of Waterloo and Wilfrid Laurier University are renowned for excellence in research. Because of their efforts the Waterloo area has become a breeding ground for entrepreneurs and information technology.

Waterloo riding is home to 125 export oriented information technology companies. These companies have revenues of more than $600 million annually and employ 5,500 people in knowledge based jobs. By the year 2000 they project that 25,000 to 30,000 people in the Waterloo region will be working in the area of information technology.

It is imperative when we talk about wealth generation that we recognize our post–secondary institutions are vital to this effort. The government must make a strategic long term investment in wealth creation through research funding. The government has worked hard to limit the cuts to research and development. This is not enough. I encourage the Minister of Finance to do everything possible in these difficult times to continue to fund vital research that will help us compete in the next century.

My constituents and all Canadians demanded a fair and equitable budget. This is what the government has delivered.

There is an area in the budget on which I must express a bit of personal disappointment, the budget of the Solicitor General. That is one area which was not cut. There was a slight increase.

I am concerned that there is more and more push in the climate of the House for longer sentences and putting more people in jail. This is a waste of resources. It costs much more to keep somebody in a federal penitentiary than to put somebody through a Ph.D. program. There are far too many people serving time in jail for non–violent crimes.

There are much better ways of dealing with that. I hope in this session we will start working toward that and start implementing some programs we have talked about in the House such as crime prevention and community safety. We know every dollar we spend on prevention results in savings of $5 to $6 at the end of the line and we are not wasting the money on penitentiaries.

Last year Canada once again was declared the best country in the world in which to live. The job we in the House have, not just the Liberals but all parties, is to make sure Canadians from coast to coast and in every province enjoy that kind of lifestyle in the future.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Madam Speaker, I listened carefully to the remarks of my colleague. I will especially dwell on his two or three first sentences. He said without any distinction that the current instability in Canada was the result of the actions of the Bloc Quebecois here, in this House. I am sorry but I think that all the Bloc Quebecois has done since its advent has been to inform Canadians of the position they are really in.

I say that the political instability in Canada only reflects the situation of the federal system. I do not want to address again here all the issues that we raised, but I will simply go back to the theme of the debt.

The debt has become so huge that the federal government is forced to borrow overseas to meet its commitments. It is as if one of my constituents visited his or her bank manager each and every year to ask for a loan to be able to keep afloat and assume his or her family obligations.

The instability also stems from the written word, from the daily newspaper reports.

• (1755)

Instability was created, in January 1995, when the *Wall Street Journal*, New York's main financial newspaper which investors from all over the world refer to, compared Canada to a third world country. It openly evoked the possibility that Canada could go bankrupt. The Bloc Quebecois did not bring Canada to that level. No.

My question is this: It is easy to see that, due to the budget, Canadians are now taxed more, $2.2 billion more. One cannot deny that, or that cuts of $13.4 billion will be made over two years. This is not the work of the Bloc Quebecois. Cuts will be made, but not in the right places.

The government also offloaded some expenditures onto the provinces, so it taxed, cut and transferred other things, raising the debt by 17.4 per cent over three years. So much for putting our financial house in order according to the current government. Is this the direction in which the federalism will go? If so, the solution we have in Quebec is to become sovereign.

[*English*]

Mr. Telegdi: Madam Speaker, I want to thank my hon. friend for his question. There is no question there is instability when we are talking about the political liability of Canada.

Let me refer to something which appeared in the *Globe and Mail* today: "Quebec's economy would collapse like a house of cards after a yes vote in the referendum, and Canada's would not fare much better, a respected economist predicts in a new book. Marcel Côté, a senior partner with Groupe Sécor and a former economic adviser to Canadian Prime Ministers and Quebec premiers, writes that a sovereign Quebec would be pummelled by an unprecedented convergence of negative economic factors". Of course it would not help Canada either.

We have some negative forces, one being separation. It hurts the average citizen who tries to borrow money. It hurts government but it hurts the person who has a $100,000 mortgage and has to pay a higher premium. It is not assisted any by the Reform Party which is trying to say our economy is unstable.

We are not a third world country. The member is gravely misinformed if he believes we are. We are a country that was judged by the United Nations for the second time as the best country in the world in which to live. That is what Canada is.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Madam Speaker, one thing we have to realize, when we talk about a bill to provide borrowing authority to the government, is that the borrowed money will be used to implement the measures announced in the government's budget. So, you will understand why most of my comments will focus on the budget that was tabled in this House by the finance minister and that has been the topic of a lot of our discussions these last few weeks. It is important to demystify a few things, because Canadians no longer know what to think about the budget that was tabled.

First, I want to make my position very clear: The Minister of Finance has not reduced the annual deficit enough to deal with the public debt. I will elaborate on this a little later on. In order to reduce the annual deficit, the finance minister offloaded the federal expenditures onto the provinces, which does not do a thing to improve the debt situation of the Canadian people.

Thirdly, the Minister of Finance and the Liberal government have cut federal expenditures, but for the most part, they did not cut in the right place. I will show in which areas the members of the Bloc Quebecois, the official opposition, would have liked the government and the finance minister to cut.

• (1800)

Lastly, the Minister of Finance missed a really good opportunity not to increase the tax revenues from large corporations in a way that would have protected the average citizens, the middle class and the underprivileged in our society who, unfortunately, have always borne the brunt of the decisions made by the various finance ministers over the years.

Let us go back to the deficit issue. I said earlier that we think the Minister of Finance did not reduce the deficit enough. If we use the federal finance minister's own figures, we can see that, by the year 2000, Canada's total debt, including the present debt and the annual deficits forecast by the minister, will have reached a staggering $800 billion.

It must be understood that this $800 billion represents an increase compared to the recent estimate of the debt at $300 billion. So an extra $300 billion will be added to the debt between now and the year 2000, plus annual interest payments of, say, 8 per cent on this $300 billion, which is a rather conservative assumption.

It is not difficult to understand why anybody in Canada and elsewhere in the world—my colleague from Chicoutimi mentioned the *Wall Street Journal* a while ago—who watches closely what is going on on the public scene can see that, under the existing structure, Canada's uncontrolled and almost uncontrollable debt will become such a heavy burden that it will gobble up most of the money we hope will be generated by economic growth, money that would normally be used to create jobs, to stimulate research and development, to promote economic development and to provide services to Canadians. According to the finance minister's own figures, the federal debt will reach $800 billion, which is beyond comprehension at this point in time. So that is one problem.

Interestingly enough, the Minister of Finance did manage to reduce to $25 billion an astronomical deficit of some $38 or $40 billion. That target is commendable and worthwhile. Yes, this is interesting; and no, it is not an easy task. But he may have been prevented from doing even better by the sheer weight of the federal system. Or his efforts may have been thwarted, as I am trying to demonstrate, by the government's refusal to really deal with the ills that are eroding our financial situation in Canada. Because of that, the debt burden will grow heavier as years go by and will soon become unbearable.

I said at the outset that, when the government reduced its deficit, it did not go about it the right way. In fact, the most important and significant move of the Minister of Finance and his government to reduce the deficit was to transfer to provincial governments expenses of some $7 billion that will no longer be met by the federal government. But the Canadian government will still set national standards, shift its own responsibilities to provinces, cut their funding and leave them scrambling to deal with that $7 billion loss.

• (1805)

What a lack of courage on the part of both the minister and the government. Instead of taking the drastic measures that are needed to reduce the costs of its own administration, the government simply decided—this was really too easy—to reduce funding by $7 billion and shift the burden to the provinces. It leaves that problem in the hands of provincial governments which will have to do what it did not have the guts to do.

The Minister of Finance and the Prime Minister know perfectly well that, this year and more particularly next year, provincial governments will have to do the work the government of Canada refused and did not have the courage to do.

Just imagine the reaction of the citizens listening to us when the Canadian Minister of Finance tells them there will be $7 billion less spending in the federal budget and that he feels the government has done its job.

As for the ineffable Minister of Intergovernmental Affairs, he simply stated on one of his visits to Quebec City: "We have done our job; now it is up to the provinces to do theirs. Our clean–up job is done". Can you imagine: "Our clean–up job is done. We swept the dust into the neighbour's apartment". That is the original way the federal government has found to reduce its deficit: offloading it onto the provinces.

What is the difference, as far as the citizen of Quebec, for example, or of any other province is concerned? Deficits are run up at both the provincial and the federal levels, and they add up to a deficit he still has to pay in full. Just imagine that citizen today when the Canadian Minister of Finance tells him: "Rejoice, my dear fellow citizen, we reduced our share of the deficit". He should continue, saying: "Sorry, my dear fellow citizen, I just shifted that share to the provincial government, in your name". What a great operation. It reflects an unspeakable lack of courage.

Furthermore, for the last 15 months, the opposition has been constantly asking the government to take the drastic measures needed to reduce this tremendous deficit. We have constantly asked the government to sit down with members from all parties to set up a working committee to undertake an item by item review of all government expenditures. One has only to look at the Auditor General's report to notice the wasting of tens of

millions of dollars through mismanagement. The government never took any heed of that suggestion.

Instead, it is the Minister of Intergovernmental Affairs who took charge of the exercise and ended up finding some things to cut here and there. He finally decided to cut 45,000 civil servants, and this was the biggest part of the budget. The federal government will lay off 45,000 civil servants.

What it forgot to ensure is how the work will be done after these 45,000 civil servants have been laid off. The government will do what it has always done, that is turn to contractors in order to do the job usually done by regular employees. What will be the result of these cuts? The savings made by the left hand will be spent by the right hand a few months later.

How do you want the people who are watching us, who are fed up with these hollow words, not to get worried when they see this government bragging about the fact that it has succeeded in reducing the size of the public service, and know that it will probably rehire as contractors friends of the regime to do the same job.

• (1810)

In reducing the public service, the government should have met the following conditions: first, that it be done after a large consensus had been reached in society as a whole, including the unions concerned by this operation. The unions can also understand that the government has objectives to reach. And I believe that we could have formed, in a common effort with employers and unions as well as representatives of the government and the opposition, a discussion group which would have taken on the task not of eliminating a certain number of civil servants to be replaced by an equivalent number of contractors, but of eliminating unnecessary government activities.

Government employees are aware of dozens and dozens of areas where the government is literally wasting taxpayers' money through duplications and by putting in place a process so cumbersome and so complex that it is a waste of efforts and money. Instead, we should have worked with all those concerned to scrutinize government spending in order to find waste and mismanagement within the huge federal government machinery.

Unfortunately, the government is saying: "We are going to put 45,000 civil servants out of work. Give us the credit. We have done our job". And the Minister of Intergovernmental Affairs adds: "We did our job and now the provinces have to do theirs".

Frankly, one must know nothing about public administration to address problems in such a casual manner and to make speeches in order to put forward great principles like those which make nice headlines but which, in fact, do not bring any solutions.

Let us look at another area where the government has decided to make cutbacks. I was saying that the government had made cutbacks in the wrong areas. What was its main target in the last budget and the previous one? The unemployed, the most vulnerable members of our society were the most affected. And I challenge all the Liberals opposite to tell us that the unemployed were not the main victims of this government in the last two budgets.

I remember quite well Liberal Party speeches, and letters signed by the present Prime Minister, who was then Leader of the Opposition, where unemployment insurance cuts, implemented by the Tories, were condemned in no uncertain terms. The Liberals said they were outraged to see the Tories so lacking in imagination that they found no other way to solve the fiscal problems of the country but to pick on the have–nots of our society.

In my region, Saguenay—Lac–Saint–Jean, I remember the member for Jonquière almost left the Conservative caucus because he disagreed so earnestly with the proposals of his party. The Liberals disagreed with these proposals and denounced them. They made several promises to the Canadians during the last election campaign.

And, in their last two budgets, the one group they treated most harshly were not the civil servants, not the banks, not the rich families who profit from the family trusts, and not the businesses which often pay no taxes at all, but the unemployed Canadians.

Allow me to say, since there is so little imagination on the other side, that the Minister of Finance seems very proud of the cuts he made in some government expenditures. Why did he not cut in the army reserve force when we all know it is the second most expensive in the world? It is very simple, we have the most expensive reserve after Switzerland, an extremely wealthy country compared to Canada. The Canadian reserve is the most expensive; it costs nearly one billion dollars, and that amount is spent very inefficiently.

Why? Instead of taking $700 million away from the unemployed, why did we not think about the Canadian reserve? Why did we not try to get 300 or 400 million dollars out of a reserve force which is totally inefficient, according to the Auditor General and the observers?

• (1815)

Why not? God only knows. The Minister of Finance's conscience is clear. He did his job of making cuts. However, we keep saying he cut in the wrong place. How do you explain the

Auditor General's criticism, month after month, year after year, that it is impossible to establish with certainty which native populations are receiving fairly major funding through agreements with the federal government for native businesses? Everyone is wondering why the federal government does not take an exact census with native bands before transferring the money.

Nothing has been done. What effort have you seen the government make to try at least to ensure that this money is properly spent, that the native people are receiving their due and that the money is being given on a basis that is really fair for all other Canadians? None, none. This sort of thing is of no interest to the Minister of Finance. I must also tell you that, in addition to insufficiently cutting his deficit, in addition to doing it wrong, by dumping it in the laps of the provinces, in addition to cutting expenses for the wrong people and in the wrong place, the Minister of Finance and his government refused to increase revenues where money was to be found.

This is a fine state of affairs. You tell me who feeds me, Madam Speaker, and I will tell you who gets my loyalty. How is it that this government and this Minister of Finance were so timid in setting up measures to obtain money that might have helped Canada through its difficulties? Why were the banks—which, by the way, made together some $4 billion in profits—asked to make a temporary effort of $100 million?

Just imagine how much money is available there. These corporations are saving a lot in taxes. Considering the circumstances, they are fabulously rich. They are getting richer and richer while most Canadians are getting poorer. In a context of justice and equitable sharing, should not a responsible government distribute fairly fiscal funds? I conclude since I see my time is up. It is unfortunate because I still have a lot of recommendations to make to the government. Why did the government spare banks and large corporations from paying their share of taxes? Why did it give family trust holders four years to stash their money elsewhere? This is outrageous.

In concluding, I will simply state that the two Canadas did not see the budget the same way. As for the rest of Canada, opinion polls indicate that 60 per cent of Atlantic Canadians think it is a good budget, as well as 55 per cent of Ontarians, 54 per cent of Prairie residents and 51 per cent of British Columbia residents, whereas in Quebec, 57 per cent think it is not.

[*English*]

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, I would like to ask my colleague from Roberval a number of questions. He mentioned he was not good at numbers and I would have to agree with him.

He talked about the deficit climbing up to $800 billion. What he seems to ignore is we have a thing in this economy called growth. Canada is one of the fastest growing economies in the western world right now. If he actually applied an element of growth he would see that deficit start reducing under the finance minister's plan.

He also talked about his great imagination. It is very true. He does have a terrific imagination. The federal government basically collects money on behalf of the provinces. That is part of the constitutionality of this country.

Everyone realizes all governments are in this together and we have to reduce spending. This argument has been going on in Ontario for years. We keep blaming each other. Someone else is always responsible.

The taxpayer is not fooled. In Ontario people are fully cognizant that the province has to reduce spending. We have reduced the transfer payments to the provinces far less than we reduced our own expenditures.

• (1820)

I do not think you can fool the people of Quebec. They know governments have to reduce spending. This includes Quebec, which to this day has a $70 billion deficit. It is not doing anything about it. The leader of Quebec is running around with a referendum or something but he is not dealing with the economic problems of that province. Blaming all the problems on the federal government is not going to wash. I do not think it is going to wash in Quebec either.

Everybody shared in the budget. We did increase taxation on some of our largest banks. Some things are not told. The Royal Bank had a billion dollar profit. What some do not understand is it had losses year after year before that.

Far be it from me to defend the banks, but I am telling the reality of it. Sometimes a billion dollars sounds like a lot but $125 billion worth of assets is not a very good return, especially considering losses in the previous year.

Blaming everything on the banks is not going to cut it. We all have to do something to get our costs of government down. That is what the budget does. It does it from the federal perspective and will do it for the provinces. I would like to have my hon. colleague address that.

[*Translation*]

Mr. Gauthier: Madam Speaker, what compassion for those poor banks which made profits of only $4 billion last year. I would have liked my hon. colleague to show the same kind of compassion for the unemployed in Canada, who do not count their benefits in billions, and made no profit last year, but have registered losses, year after year.

I would have believed that my colleague was better informed when he talked about the tax points used by the federal government and the fact that it gives money back to the provinces. Listening to the advocates of federalism, one has the feeling that it is a fantastic gift the provinces receive. The federal government generously redistributes among its poor little provinces its

God–given tax money. What are they complaining about? These are minor cuts.

Madam Speaker, I will simply say this: The federal government, which then was not allowed to collect taxes, asked for tax points to support its war effort and, later on, refused to give them back to the provinces, saying that the money they provided was going to be redistributed among the provinces to help them accomplish certain things.

One has to admit that there is a problem somewhere when one knows what the situation is, and that the Prime Minister has decided to keep on collecting taxes, which originally belonged to the provinces—check your history books—and to give them only half of what it collects. This is what is wrong with federalism. I do agree that the system does not make any sense. No wonder the provinces and the federal government are bickering. Besides, we have a very clear, very precise solution to that. We are the only ones to have one. No one else has one in this country.

In conclusion, when one talks about the necessity for the provinces to put their house in order, I will tell my hon. friend that I was a member of the Government of Quebec when we asked the public service to make enormous sacrifices and when we streamlined the administration. On a Canadian scale, the Quebec deficit would have been the equivalent of $10 billion a year. If the administration of the Government of Quebec had been as poor as the administration of the federal government, Quebec would be running a deficit of $10 billion a year.

Since 1985–86, the federal government's deficit has been close to $40 billion, whereas the annual deficit of Quebec has been roughly $3 billion, $5 billion last year. The generally good management of Canadian provinces is in no way comparable to the administrative mess at the federal level, as well as to the disproportionate debt of the federal government which, proportionally, beats all records of any developed country, with the exception of Italy.

[*English*]

Mr. Myron Thompson (Wild Rose, Ref.): Madam Speaker, a quick question for the hon. member. It really gets tiring hearing this blah, blah, blah about a wonderful budget that is not going to do what those members claim. I get frightened when the opposition wants to do something even worse. It does not want to address the serious problem.

• (1825)

Regarding the corporations, if we get more taxation out of the corporations, who ultimately pays the bill and what does the member think caused a lot of the corporations to go south of the border previously if not taxation? Is he trying to chase everybody out of Canada?

[*Translation*]

Mr. Gauthier: Madam Speaker, we know the opinions of the Reform Party. They presented them in this House and they condemned the budget. Here is the result of this condemnation by the Reform Party: in the West, their stronghold, 54 per cent of their constituents, 60 per cent in British Columbia, think it is a good budget.

I would simply say to my friends in the Reform Party that their speeches do no fool anyone anymore. We know that they want to abolish social programs, everything having to do with individuals, all transfers to the neediest. We know that according to them corporations, banks, large companies should not pay tax. We can see what their choice of society is. However, they cannot even convince their own constituents with whom they are supposed to communicate so much.

[*English*]

Ms. Judy Bethel (Edmonton East, Lib.): Madam Speaker, I would like to share my time tonight with the member for Hamilton West.

I am pleased to speak on Bill C–73. I want to take this opportunity to offer my support to the budget tabled by the Minister of Finance last month. It truly is a budget that reflects the principles and priorities of Canadians.

Our challenge was to balance the needs of our nation with the fiscal realities of today. Canadians asked us clearly to focus on cutting spending, not raising taxes, spending dollars more carefully on the priorities of people and ensuring fairness among individuals and regions. I believe the budget respects and reflects those principles.

Following the budget I wanted to see how the residents of Edmonton East felt about the budget, to hear their ideas, suggestions, their comments and concerns. On the evening of the budget we held an informal budget forum with representatives of the Edmonton East community. There were small business owners, students, teachers, seniors, new Canadians and representatives from community groups and agencies in attendance.

Our group came to the Edmonton East riding office to watch a tape of the budget speech and participate in short group discussions on the budget. Following that round table, I called from the office in Ottawa and we held a conference call on the budget and its impact on our riding. To determine the collective wisdom of Edmonton East on the budget, I asked our diverse group a series of questions to gauge their opinions and reactions.

I asked what their gut feeling was. The one phrase that was consistently repeated as each participant voiced his or her opinion was it was tough and fair. They felt the budget protected our core Canadian values and programs. Specifically they were

relieved that seniors benefits were not drastically cut and they were delighted, actually ecstatic, that the Minister of Finance declared the government's support for the principles of the Canada Health Act and that we maintained funding levels for justice programs.

Several of the participants appreciated the manner in which the program cuts were made. They liked that spending reductions were done carefully by department and not in an across the board manner. It is important the group expressed this particular reaction to budgetary spending because it showed support for the program review approach we undertook in our process.

Albertans, like all Canadians, deserve and expect good government. Good government is simply delivering efficient, cost effective programs Canadians need and want and are willing to pay for in defence, in industry, in human resource development, in transportation, in justice and in heritage. Residents of my riding and across the province are firm believers in the concept of value for money. They want government programs and services that bring them good value for their tax dollars.

• (1830)

Therefore, when we initiate expenditure reduction it is important that we evaluate government departments on a program by program basis. That requires a careful and thoughtful review of all government programs. This is one area where we can see a fundamental difference between the approach of the government and of the Reform Party. It proposes across the board departmental cuts without little regard for any consequences, fiscal or social, with no regard for the impact such cuts would have on other levels of government and with no calculation of value for money.

We took the tougher, more effective approach in program review, eliminating programs that are not working and streamlining others. The government's approach to the reduction of the public service is one of right sizing. Simply, right sizing promotes a careful and strategic approach to removing waste and duplication from organizations. We must work hard and co–operatively to find ways for departments and organizations to operate with a maximum of efficiency and effectiveness while maintaining high standards of service and program delivery.

Slashing and cutting with any organization or business merely for the sake of downsizing without clear direction or strategy is clearly irresponsible.

The small business representatives on our panel agreed with the continued support the government has given to this important sector of our economy. In the budget we recognized there are times and places where government can and should assist the private sector in today's fast changing global environment. For example, the government will continue supporting exports for companies in the sectors facing intense international competition. This is especially important in my province which has seen an incredible growth in the export trade.

The government will also be working with Canada's banks between now and the fall to determine meaningful benchmarks for small business lending. Small business owners in Alberta share the national problem of securing capital for businesses.

Since we came to office we have implemented several initiatives which small business owners indicate will help improve their ability to do business: the reduction of regulations and paperwork; the introduction of single window business service centres; and the reduction of unemployment insurance premiums. These are all commitments to reduce the deficit which will help small business.

Participants in the budget discussions all indicated their approval of the tax fairness measures implemented in the budget. This theme of fairness was also present at my social security forum where participants suggested that the government supplement its social program reforms with taxation reforms.

In the budget there are several measures to promote equity in the tax system. Equity starts by ensuring that taxes owing are taxes paid. The government implemented rules to ensure that the construction industry, where the underground economy thrives, complies with tax laws. There will be no tax deferral advantages for investment income earned by private holding companies. All tax advantages flowing from family trusts have been eliminated. There are several more. We have raised the corporate surtax on profits from 3 per cent to 4 per cent. We have added a temporary tax on the large deposit taking institutions, including the banks.

Participants at my forum expressed support for the fact that the government dealt with deficit reduction primarily through expenditures. We have taken the right path at the right pace. In fact over the next three years spending reductions will total $25.3 billion against $3.7 billion in revenue actions. That is almost $7 in spending cuts for each $1 in new tax revenue.

During our conference call I asked the participants what issues arising from the budget are important to our riding so we can follow them up for future action. The reaction of the group assembled was that the budget presents them with an opportunity to act in co–operation with the provinces and with the federal government in the development of a shared set of principles and objectives that will underlie the new Canada social transfer. This way we can ensure that our core Canadian values and priorities are maintained in our social programs.

Participants were heartened by the loud and clear message in the budget that the principles of the Canada Health Act will continue to be enforced. Albertans, like all Canadians, want their social security programs to be more efficiently delivered. They want to reduce overlap and duplication. However, they are

concerned about the potential impact of increased provincial flexibility on their province, considering the lack of care and concern the current provincial government has shown toward social programs. All participants agreed that we need to maintain key principles in our social system so that we can continue to protect our most vulnerable citizens.

• (1835)

At this forum and others held on social security review there was widespread support for our social programs. While everyone agreed that there was a need for reform—people wanted to see programs such as the UI maintained—there was no support for the dismantling of the system which is implied in the Reform Party's registered personal security plan.

Another concern of people in my riding is that the rising cost of the public pension system is placing their pensions at risk. The government is committed to providing a fair and reliable system of protection for seniors but this requires action to ensure the pension system is sustainable in the long term. Later this year the Minister of Human Resources Development, in collaboration with the finance minister, will release a paper dealing with the changes required in the public pension system to ensure its affordability. The budget states what the basic principles for the reform will be, and that is what we will work co–operatively with. The review is another area in which residents, particularly seniors, can participate.

Some might say that the budget did not cut enough, that it could have been tougher. However, a budget is not just about balancing books; it is about balancing the needs of the nation. We have a fiscal responsibility to do that.

Also some could complain we did not set longer deficit reduction targets. However two years of rolling targets keep our feet to the fire, making it impossible to postpone spending reductions and other actions to reduce the deficit. Past governments have made long term plans but always ended up pushing necessary action further and further into the future. The short term targets we have set make sure we act to reduce the deficit, keeping our feet to the fire.

In conclusion, there is general agreement in Edmonton East that the 1995 budget takes far–reaching action to restore the fiscal health that supports a strong and growing economy. The residents of my riding found many things in the budget they like. They also identified the Canada social transfer and the retirement income review as issues for future focus. I look forward to working with them and with the government on these issues as we continue the government's progress on program and service improvements.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Madam Speaker, I would like to point out to my colleague that she did not consider the consequences of our very large debt on investment and employment in Canada.

This debt has a very negative impact on job creation. To finance our debt—I already said, but it is worth repeating—we are forced to offer a premium to foreign investors. This premium increases as the debt grows, which means that the Canadian taxpayer cannot consume as he or she should. The consequences of that is that there is less and less work, and more and more people on unemployment insurance.

Now, because of new eligibility criteria they must rely on welfare. Therefore, the impact is very negative. Here is my question: The present federal system offers only status quo, which means compromises, clumsy compromises between two groups. In our area, we call that endless complaining. The status quo means eternal resignation to a dreary existence. Is it what you are going to offer to the upcoming generation? This status quo is simply jiggery–pokery and fiddling.

• (1840)

[*English*]

Ms. Bethel: Madam Speaker, I appreciate the question from the Bloc. Federalism is as important to those of us who live in Alberta as it is to those of us who live in Quebec.

I understand the analogies of the family and fighting and feuding, but healthy families work out their differences. There is a kind of evolution, not a revolution, in the way we do business. I truly appreciate that there is getting to be a less centralist feeling to government these days. What we are seeing more of is the ability for the provinces to determine their own needs and to work on their own solutions. That is how I see this unfolding. It is very beneficial for Quebec, it is beneficial for the maritimes, it is beneficial for every part of our country; working together to solve our common problems.

Hon. Jean J. Charest (Sherbrooke, PC): Madam Speaker, I was interested in the hon. member's remarks about how her constituents reacted.

I refer her to an announcement made by her government last year with respect to the stay in school program, which addresses itself directly to the issue of dropouts and potential dropouts. Her government announced funding for the program last year and I understand from the wording of the release at that time that the government spoke very positively about how important the issue is for Canada. I wonder whether she has any news on whether this program should continue.

Ms. Bethel: Madam Speaker, that is a very specific question and I am not prepared at this time to answer it. I am not aware of the press release or the program. My apologies to the hon. member.

Mr. John Williams (St. Albert, Ref.): Madam Speaker, I have quite a number of questions but in the interests of brevity I will limit them to one or two.

The hon. member for Edmonton East put a lot of emphasis on fairness in transfers to the provinces and individuals as part of the government's responsibility of ensuring they have a standard of living we can respect.

One of the biggest transfers we now have is the $50 billion we transfer to lenders; not to poor people, not to old people, not to young people, not to those who need an education, but to rich lenders around the world. In a survey 41 per cent of Canadians said the deficit was not being cut fast enough in order to eliminate the growth in that transfer so that money is available to Canadians.

What does the member propose since the Minister of Finance has been far too slow in getting the deficit down?

Ms. Bethel: Madam Speaker, there are two plans of action we are taking, one on a short rolling, two–year target. They are extremely important so that we do not put off what we need to do. In order to get the deficit down it is important to have short term targets. I will leave it at that.

Mr. Stan Keyes (Hamilton West, Lib.): Madam Speaker, it is a privilege and an honour on behalf of the constituents of Hamilton West to speak on Bill C–73, an act to provide borrowing authority for the upcoming fiscal year, and by logical extension the firm but fair budget tabled on February 27 by my hon. colleague the Minister of Finance.

In keeping with the principles of fairness as promised in the 1995 budget, it reflects the government's desire to cut the deficit primarily through spending cuts rather than massive tax increases, as suggested by the third party. This is substantiated by the fact that over the next three years there will be $7 in spending cuts for every dollar in new tax increases. Consequently the budget will have an enormous impact on Canada's ongoing economic recovery.

• (1845)

It should also be noted that in the process of creating the 1995 budget, the minister took care to obtain the input of Canadians right across this country. This was done by means of the prebudget hearings conducted by the Standing Committee on Finance.

These hearings were held in cities throughout Canada, including my hometown of Hamilton. I am proud to say that almost 90 per cent of the recommendations of the finance committee were accepted by the Minister of Finance and are reflected in the 1995 budget.

As chairperson of the House of Commons Standing Committee on Transport, I should also mention that our committee is currently assisting the Minister of Transport with a comprehensive marine review. As indicated in a recent post–budget document released by Transport Canada, "Transport Canada's New Direction and the 1995 Budget", the House of Commons Standing Committee on Transport is holding extensive consultations on the future of Canada's marine sector. It plans to submit a report of recommendations by the end of April.

The review focuses on identifying inefficiencies in the Canadian marine system and eliminating unnecessary and counterproductive waste and mismanagement in the marine sector. This will also help eliminate unnecessary federal government expenditures by examining ways to provide competitive and efficient marine services as part of an integrated transportation system.

The finance minister went to great lengths to accommodate the opinions expressed to him directly and indirectly by his parliamentary colleagues as well.

On January 6, I issued an open letter to the Minister of Finance on behalf of the constituents of Hamilton West imploring him not to increase personal income tax. Prior to the tabling of the budget we were on a break. When walking through the malls, on the streets or stopping in a coffee shop, my constituents told me that increasing personal income tax would impose an insurmountable burden on many low to middle income families. They also said it could have an adverse effect on federal revenue targets by creating an added incentive for underground economic activity.

Clearly, the Minister of Finance listened to Canadians as far as personal income tax is concerned. We did not see a hike in personal income tax in this budget. This budget is firm in its commitment to cutting government fat, but fair in sparing the flesh of essential government initiatives designed to stimulate economic growth and job creation in this country.

The notion of budget fairness is reflected in the minister's willingness to address the historically lopsided personal income tax contributions made by individual tax paying Canadians versus the amount contributed by large profitable corporations. In the last three decades the corporate share of total taxes collected by government has fallen while the share collected from individual taxpayers has almost doubled. In light of that fact, the 1995 federal budget also includes key measures designed to establish a fair and balanced system of taxation.

For example, there will be an increase in the corporate surtax from 3 per cent to 4 per cent, as well as a 12.5 per cent increase in the large corporations tax. Furthermore, in a year when major Canadian banks reported record profits in the billions, the 1995 budget imposes an immediate increase in the existing tax on capital of banks and other large deposit taking institutions.

For the edification of the naysayers across the way, it is worthwhile to consider the opinions expressed by various reputable organizations and individuals across the nation who have expressed their support for the measures announced in the 1995 budget.

Let us go to the editorial in the *Wall Street Journal*: "Canada's bold budget ought to be an inspiration to other countries struggling with overextended governments". This is for the naysayers across. We have been listening to the Reform Party go on and on about how terrible this budget is, how awful this government is and how we do not know what we are doing.

All that is outweighed by the people who do know a little something about economics and I am sure they are not Reformers. An editorial in the *Financial Times* of the U.K. says: "The Canadian budget announced on Monday brings the country back from the brink of fiscal disaster. Mr. Paul Martin, the finance minister, appears to have achieved a skilful balance between the increasingly onerous demands of investors and those of his constituents".

• (1850)

An excerpt from a Reuters AFP news report in *The Strait Times*, Singapore's most widely read daily, states: "Economists praised the government's efforts generally, saying it was perhaps the first serious attempt by a Canadian government to get a handle on spending". I know that one–half of the former Tory government who is sitting in the House today would appreciate a remark like that.

How about William Dudley, an economist with Goldman Sachs, who stated on CBC Radio: "In the end you would have to say that the government has definitely gotten the message that this consolidation is required and the financial markets, I think, have to reward Canada for that". That is pretty good stuff for the government.

If that were not enough, the budget has also been endorsed by the Chartered Accountants of Canada, an organization representing 55,000 chartered accountants. It seems reasonable to assume that these people would know a thing or two about getting one's fiscal house in order. What are they saying? The Chartered Accountants, the 55,000 represented, state: "We are pleased that finance minister Paul Martin has cut spending in significant ways. In particular, the seven to one ratio of cuts in spending to taxes should signal to investors that government is addressing our fiscal situation".

Here is the one I like: "We are very pleased to note the government has not taken any drastic measures to impede the ability of Canadians to save for their own retirements. The budget brought down challenges Canadians to continue to seek to redefine the appropriate role and scope of governments as essential steps toward fiscal stability".

That is something we can be proud of. Despite the previously stated, let us say, expert opinions in the province of Ontario, Premier Bob Rae has been playing Chicken Little with the federal budget. According to that premier, the sky has been falling in Canada since February 27 when the federal budget was tabled in this House.

In response to this government's attempt to finally get this nation's fiscal house in order, Rae states that the budget will bring about "a historic change that literally ends the Canada that we have known and sets us on a much meaner course". This comes from a man who clearly knows little or nothing about managing public funds.

It is worth noting that in 1991 Ontario's accumulated provincial debt was 15.5 per cent of Ontario's GDP. This spring, Ontario's debt is expected to balloon to almost 30.5 per cent of provincial GDP. Clearly if the sky is falling, it is falling on the provincial NDP government in Ontario.

In closing, for all the doom and gloom of those who may be questioning the character of the Liberal government and in fact Liberalism itself, I quote a great Canadian and a former Prime Minister of Canada, the Right Hon. Sir Wilfrid Laurier who once said: "I am a Liberal. I am one of these who thinks that everywhere in human terms there are abuses to be reformed, new horizons to be opened up, and new forces to be developed".

I am proud to say that this government is holding true to that enlightened Liberal vision.

Mr. John Williams (St. Albert, Ref.): Madam Speaker, I have one simple question. We always hear the Liberals talk about the budget and how many cuts they have made, but they have not cut anything. They have transferred. They have not cut $7 for every $1 increase in taxes. Money that was going to programs to help Canadians has been transferred as interest to the lenders.

When will this government recognize that the spending of this government has not gone down? There have not been any cuts. It has only transferred money from Canadians who need it to lenders who did not need the money in the first place.

Mr. Keyes: Madam Speaker, I am not sure of the hon. member's background. Do not take my word for it; let us go to the experts.

How about Fred Ketchen, chairman of the board of the Toronto Stock Exchange who states: "It seems to me that the fellas at Moody's and the other bond rating services will be encouraged by what they heard the finance minister say today in what I would assess as being a responsible, a fair, a realistic, and even a humane budget".

• (1855)

Let us go back to the chartered accountants, the group that represents the chartered accountants of Canada, the 55,000 accountants. They support the restructuring of transfer payments to the provinces and the decision to build more flexibility into Canada's educational and social program transfers to provinces with the creation of the Canada social transfer program. This is precisely what this member has been concerned about.

The Reform Party in its questions talks status quo. Before the budget it came out with this ridiculous plan to cut everything; gone in two years: "We are going to put them in sleeping bags in the streets across Canada, but we are going to get that budget deficit down to zero". That is not the way it is going to be with the government. The government does it fairly and equitably and it is going to work. With our two–year rolling plan the House is going to be full of Liberals after the next federal election.

[*Translation*]

The Acting Speaker (Mrs. Maheu): I will recognize the hon. member for Beauport—Montmorency—Orléans, but he has only 30 seconds left for questions or comments.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Madam Speaker, as vice–chairman of the Standing Committee on Transport, I would like to put a short question to the chairman of the committee.

Since he mentioned that he tends to go to coffee shops and shopping malls where he has a chance to talk about the budget, I would like to know whether be brought this up with his constituents in Hamilton West. One of the provisions of the budget provides for commercializing the St. Lawrence Seaway, but if this does not work and the Seaway is closed, how would the people of Hamilton react and how would they get their iron ore pellets from Quebec's North Shore?

[*English*]

Mr. Keyes: Madam Speaker, that is an appropriate question and I thank the hon. member for it. Coming from Hamilton, Stelco and Dofasco are two very familiar names. The lifeline of the steel industry in my home town and the rest of the communities along that Great Lakes and St. Lawrence Seaway is that seaway.

If we leave it the way it is the hon. member knows full well it will collapse on itself and we will not have a seaway. The status quo does not work. We have to find a new way. We have to find a way to make that system stand on its own feet and be competitive in a global economy and give the stakeholders of that system the opportunity to play a greater role in how that system works.

Adjournment Debate

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

STAY IN SCHOOL PROGRAM

Hon. Jean J. Charest (Sherbrooke, PC): Madam Speaker, I rise today on a very important issue that came to my attention after the budget. It is a very negative piece of news. It is a situation that needs to be clarified on the government benches. I asked that it be put on tonight so the government could tell us what happened to the stay in school program.

Canada has one of the highest drop out rates in the world among industrialized countries for people in high school. Furthermore, Canada is in a situation in which the skills required to enter the labour market have also increased radically over the last few years.

I can borrow from a document known as the red book. On page 32 there is a graph of rising education and training requirements that seems to indicate that people with less than 12 years of education made up about 45 per cent of the jobs available in 1986. In the years from 1986 until 2000 that will drop to 32 per cent.

Then it goes on to state that people who have 12 years of education make up 10 per cent of the jobs. It will be 2.9 per cent by the year 2000; 13 to 16 years of education will go from 22 per cent to 15 per cent, and 17 years or more, 22.4 per cent in 1986 to 48.8 per cent. This graph says that close to half of the jobs available in Canada by the turn of the century will require 17 years of education or more.

• (1900)

For a country that has one of the highest dropout rates in the world among the industrialized countries, one would think we would want to do something about it. We did. In 1990 we announced the stay in school initiative that addressed itself to communities, to enticing different partners in the community including the private sector to get involved with the issue. It was also co–ordinated with the provinces.

It may be of interest for the House to know that the present Leader of the Official Opposition supported the program even though some people will say that it is in the area of provincial jurisdiction which, if taken literally, is a false statement. To pretend that the dropout problem is only related to the education system is false. It is a broad social program that needs to be addressed.

My disappointment lies in the fact that the government apparently ran on investing in people according to the red book. It said in that document:

Jobs and growth depend upon making the necessary investments in ourselves and our children. Consequently, we will better prepare for the transition from school to the workplace; provide a constructive outlet for the skills and the talents of younger Canadians, the innocent victims of Canada's prolonged recession.

The innocent victims of Canada's prolonged recession had the program cut. The government refused to continue the program which is recognized as a success. Who says that? On April 15, 1994 the government announced, according to a press release, that it would continue to put $30 million in the program. What did it have to say about the program only a year ago? It said that there was a proven link between low levels of education and high levels of youth unemployment and that continued action on the high school dropout issue was therefore crucial to ensuring that the school to work transition was an avenue of opportunity for young people.

It is scandalous that the government would cut the program. When does the government intend to take up the issue so that we can attend to the problem of young Canadian men and women who need to finish high school and need an opportunity to get an education, find a job and participate in Canadian society?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Madam Speaker, I paid attention to what the hon. member stated in reference to the stay in school initiative to provide the tools to motivate the key stakeholders in the community to engage in the process of outlining and telling young Canadians that it is very important to stay in school as a vehicle to achieving a job and to acquiring the life skills required to remain competitive in a very competitive marketplace.

Obviously the hon. member missed the announcement the government made last Friday. There has been some redirection of funding. The government announced a summer job action plan, a package of six job creation elements for secondary and post–secondary education students which will result in the direct creation of approximately 44,500 jobs. In addition, Canada employment centres for students will once again be in operation across the country.

Last year close to 200,000 job vacancies were filled and over 141,000 young people participated in group information sessions. The number is expected to surpass last year's budget for students. The $8.6 million will be increased to $10.4 million. It is also important to note that the budget of the youth internship program has increased from $25 million in 1994–95 to $118 million in 1995–96.

Even though we are living through difficult fiscal times our commitment to young people speaks to two realities: the fact that we believe it is a priority and that we want to engage in effective partnerships at the community level. The announcement last Friday achieved both.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted. Accordingly the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.05 p.m.)

HOUSE OF COMMONS

Tuesday, March 21, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

COMMISSION OF INQUIRY INTO THE DEPLOYMENT OF CANADIAN FORCES IN SOMALIA

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, pursuant to Standing Order 32(2), and further to the commitment made in this House on November 17, 1994, I am pleased to table, in both official languages, an order in council establishing the commission of inquiry as to the deployment of the Canadian Forces to Somalia.

[*English*]

This is an order in council establishing the commission of inquiry as to the deployment of the Canadian forces to Somalia.

* * *

CANADIAN HUMAN RIGHTS ACT

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Madam Speaker, pursuant to section 61(3) of the Canadian Human Rights Act and Standing Order 32(2), I am pleased to table, in both official languages, le rapport annuel de la Commission des droits humains for the year 1994 for referral to the Standing Committee on Human Rights and the Status of Disabled Persons.

* * *

• (1005)

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 32 petitions.

[*Translation*]

MAINTENANCE OF RAILWAY OPERATIONS ACT, 1995

Hon. Lucienne Robillard (Minister of Labour, Lib.) moved for leave to introduce Bill C–77, an act to provide for the maintenance of railway operations and subsidiary services.

(Motions deemed adopted, bill read the first time and printed.)

The Acting Speaker (Mrs. Maheu): When shall the bill be read the second time? Later this day?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): At the next sitting of the House.

* * *

[*English*]

RAIL STRIKE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I seek the unanimous consent of the House for the following order. I move:

> That notwithstanding any standing order, immediately after the completion of Private Members' Business on this day, the House shall revert to Government Orders for the purpose of considering Bill C–77, an act to provide for the maintenance of railway operations and subsidiary services at the second reading stage, in committee of the whole, at the report stage and at the third reading stage, provided that the House shall not adjourn this day except pursuant to a motion by a minister of the crown.

In light of the substantial losses being suffered in the Canadian economy as a result of this rail strike, it is appropriate that the House deal with this motion. I seek consent to put it to the House today.

[*Translation*]

The Acting Speaker (Mrs. Maheu): Does the hon. parliamentary secretary have the unanimous consent of the House to table the motion?

Mr. Duceppe: Madam Speaker, I must say no. We proposed amendments to the government. Had it accepted them, we would

have had all three readings today. However, given its refusal, I must withhold our party's consent.

The Acting Speaker (Mrs. Maheu): We therefore do not have unanimous consent.

[*English*]

Mr. Hermanson: Madam Speaker, I want to make it clear that the Reform caucus is not part of the opposition's response. We support the speedy passage of legislation to end the rail strike given its drastic consequences for the Canadian economy.

* * *

PETITIONS

DANGEROUS OFFENDERS

Mrs. Diane Ablonczy (Calgary North, Ref.): Madam Speaker, I have the honour to present today a petition on behalf of the citizens of Calgary asking that dangerous offenders be ineligible for parole until their full sentence has been served.

CANADIAN ARMED FORCES

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Madam Speaker, pursuant to Standing Order 36, it is my duty and honour to rise in the House to present a petition duly certified by the clerk of petitions on behalf of 43 individuals from Ontario.

The petitioners request that Parliament at the earliest possible time initiate a wide ranging public inquiry replacing many being convened piecemeal into the Canadian Armed Forces, including reserves which will investigate, report and make recommendations on all matters affecting its operations, tasking, resources, effectiveness, morale and welfare.

• (1010)

BILL C–240

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Madam Speaker, I have a second petition to present on behalf of 57 constituents of Saanich—Gulf Islands and surrounding area, again duly certified by the clerk of petitions.

The petitioners call on Parliament to enact legislation against serious personal injury crimes being committed by high risk offenders by permitting the use of post sentence detention orders and specifically by passing Bill C–240.

HUMAN RIGHTS

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, I have three sets of petitions on related matters, but the petitions are different.

The first one says that because of the inclusion of sexual orientation in the Canadian Human Rights Act, it will provide certain groups with special status, rights and privileges; that because the inclusion will infringe on the historic rights of Canadians such as freedom of religion, conscience, expression and association, therefore the petitioners call on Parliament to oppose any amendments to the Canadian Human Rights Act or to the Charter of Rights and Freedoms which would provide for the inclusion of the phrase sexual orientation.

* * *

BILL C–41

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, this is the second petition on a related matter.

It says whereas the majority of Canadians believe everyone currently has equal status under the law and whereas Bill C–41, section 718.2, would give special provisions based on sexual orientation, therefore the petitioners pray and request that Parliament not pass Bill C–41 with section 718.2 as presently written and that in any event, it not include the undefined phrase "sexual orientation", as the behaviour people engage in does not warrant special consideration under Canadian law.

DISCRIMINATION

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, the last petition I have states that the undersigned residents of Canada draw to the attention of the House of Commons that members of Parliament have recently made hateful comments which contribute to the climate of intolerance, fear and violence for lesbian, gay and bisexual Canadians; that more than 80 per cent of Canadians believe that gay men, lesbians and bisexuals are subject to discrimination and that many gay and lesbian Canadians have been harassed, beaten or even murdered in violent expression of this discrimination; and that the Charter of Rights and Freedoms guarantees everyone equal rights.

Therefore, the petitioners call on Parliament to amend the Canadian Human Rights Act to protect individuals from discrimination based on sexual orientation.

GUN CONTROL

Mr. Bill Gilmour (Comox—Alberni, Ref.): Madam Speaker, pursuant to Standing Order 36, I am pleased to present the following three petitions from my constituents of Comox—Alberni.

The first petition contains 780 signatures and calls on Parliament not to enact any further firearms control legislation, regulations or orders in council.

The second petition comes from constituents all across British Columbia and contains 454 signatures. It requests that Parliament refuse to accept the justice minister's anti–firearms proposals and insist that he bring forward legislation to convict and punish criminals rather than persecute the innocent.

JUSTICE

Mr. Bill Gilmour (Comox—Alberni, Ref.): Madam Speaker, this last petition comes from across Canada and contains 550 signatures.

The petitioners request that in memory of Dawn Shaw, a six–year–old girl who was murdered in my riding of Comox—Alberni, that this petition be brought to the attention of Parliament.

The petitioners request that Parliament enact legislation to change the justice system to provide greater protection for children from sexual assault and to assure conviction of offenders.

ASSISTED SUICIDE

Mr. Mac Harb (Ottawa Centre, Lib.): Madam Speaker, it gives me great pleasure to present a petition to Parliament calling on the House of Commons to ensure that the present provisions in the Criminal Code prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law that would sanction or would allow the aiding or abetting of suicide or active or passive euthanasia.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

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

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

• (1015)

[*Translation*]

SUPPLY

ALLOTTED DAY—FUNDING OF CANADIAN BROADCASTING CORPORATION

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ) moved:

That the House condemn the government for the refusal by the Minister of Canadian Heritage to publish the government's decisions concerning funding for the Canadian Broadcasting Corporation (CBC) for the next three years, thus causing an ominous threat to loom over the CBC's French–language network.

She said: Madam Speaker, today's debate will be on the following motion, which I am submitting to this House with the support of my colleague from Mercier:

That the House condemn the government for the refusal by the Minister of Canadian Heritage to publish the government's decisions concerning funding for the Canadian Broadcasting Corporation (CBC) for the next three years, thus causing an ominous threat to loom over the CBC's French–language network.

This motion has become necessary because of the Canadian heritage minister's refusal to be open and confirm the information his deputy minister gave the President of the CBC on the day the budget was tabled in this House. According to this information, in the next three years, the CBC will have to absorb some $350 million in cuts, despite this government's formal and oft–repeated commitment to stable multi–year financing for the CBC.

This lack of openness on the part of the minister and this stubborn denial of the facts show contempt for CBC employees. They create a climate of insecurity which can only harm our TV network. That is why our motion today condemns the minister for not disclosing all the cuts planned at the CBC. This course of conduct is also being denounced by the francophone press.

For those who know how to read and listen, the government had made clear commitments to the CBC. On October 4, 1993, the Canadian Conference of the Arts distributed a questionnaire aimed at finding out the main political parties' respective positions on culture and communications. The Liberal Party of Canada responded as follows: "By slashing funding for national institutions like the CBC, the Canada Council, the National Film Board and Telefilm Canada, the Tories have done great harm and shown how little they care about cultural development. Their savage cuts will hurt the next generation of performers, reduce the number of writers, composers, dancers and other creative artists, and undermine our cultural production. The development of our cultural organizations will be stunted. Cultural life outside the major cities will decline. In short, our country will weaken to the point that it will have to fulfil its cultural aspirations with foreign products".

The Liberal Party went on to say: "A Liberal government will be committed to stable multi–year financing for our national institutions".

This was the first firm commitment the Liberal Party made during the election campaign and it was reiterated in the red book, which says: "Canada needs more than ever to commit itself to cultural development. Instead, the Conservative regime has deliberately undermined our national cultural institutions. Funding cuts to the Canadian Broadcasting Corporation, the Canada Council, the National Film Board, Telefilm Canada and other institutions illustrate the Tories' failure to appreciate the importance of cultural development".

After this impressive illustration of Tories' failures, the Liberals go on to state in their red book that they "will be committed to stable multiyear financing for national cultural institutions such as the Canada Council and the CBC. This will allow national cultural institutions to plan effectively".

Almost as soon as he took office, the minister claimed to be a friend of the CBC. On February 3, 1994, he announced the appointment of Anthony Manera at the head of the CBC. In a letter to Mr. Manera and in the press release he issued at the

time, he stated his firm intention, as government member, not to impose further cuts to the CBC.

• (1020)

By the end of the fall, the word was that the Canadian Broadcasting Corporation would not escape the finance minister's bistoury. However, to Mr. Manera everything still appeared to be clear. Testifying before the heritage committee during the hearings on he CBC, Mr. Manera maintained that the Minister of Canadian Heritage had indeed promised him that the CBC would continue to receive multiyear funding. In his mind, the heritage minister's commitment was firm and unequivocal.

On that occasion, the hon. member for Richelieu asked Mr. Manera: "When you took the position, did you have a solemn commitment from the government to maintain that financing on a stable basis for a certain period, which is for five years starting with the 1994–95 budget? Did you have a commitment of that sort, before taking the plunge, with such a vision of the CBC?" And Mr. Manera said, directing his answer to the chairman of our committee: "Mr. Chairman, the answer is yes".

But now it would seem that all of us misunderstood, starting with Mr. Manera.

On January 25, the Minister of Canadian Heritage was reported by the Canadian Press as stating that anyone who understood that there would be no cuts to the CBC misunderstood him.

I am quoting from a Canadian Press article. It says the heritage minister did not rule out further cuts to the CBC, saying that the government had never promised that the corporation would be spared in the upcoming budget. The federal plan announced last year to stabilize CBC finances should not be seen as a pledge to keep the broadcaster's budget at current levels, said Mr. Dupuy. He added, and I quote: "If it was interpreted as freezing the situation, it was the wrong interpretation".

Oh, dear. Then everyone who read the Liberal Party's response to the Canadian Conference of the Arts was mistaken. Then, we all misinterpreted what was written in the red book, the press release and the letter signed by the Minister of Canadian Heritage, the last two which were issued to the press on February 4 and in which the minister firmly committed himself to maintaining CBC's funding.

The budget confirmed what the minister had been hinting at. The budget plan tabled in the House on February 27 announced that the CBC's budget for the next fiscal year would be cut by 4 per cent, which translates into $44 million.

The budget plan also stated that, over the next three years, the government would be cutting $676 million from the budget for funding crown corporations which fall under the Department of Canadian Heritage's mandate. The same day, the deputy minister sent the CBC president an information brief on the breakdown of the $676 million in cuts. The table in the brief clearly showed that the CBC would have to absorb $44 million in cuts for 1995–96, $97 million in 1996–97 and $165 million in 1997–98. Unprecedented cuts, even under the Conservatives.

The $15 million which the Department of Foreign Affairs used to pay each year to fund Radio Canada International should also be added to the cuts, because the corporation will now have to pay it. The president had already stated that he would not preside over the crown corporation's demise, so he resigned.

What did the Minister of Canadian Heritage do to support his president? Nothing. He merely said that Mr. Manera was aware of the cuts and even added that Mr. Manera had informed him that he intended to resign a few weeks earlier. One day he stated that the only figures which his deputy had given to Mr. Manera were those contained in the budget; the next, he said the opposite. He admitted that Mr. Manera had obtained documents on program review.

These documents show that the government plans to cut the CBC's budget by more than $300 million over the next three years. Mr. Manera did his homework, he let the public know about it, and then, he resigned.

• (1025)

That was on February 28. On March 15, in the afternoon, it was the turn of the vice president of the French TV network. Meeting first with her staff and then with the press, Mrs. Fortin, in a presentation which was exceptional, I must say, insisted on setting the record straight for her employees. Seven hundred and fifty positions will be abolished on the French television network of the CBC, since it will be losing $60 million over three years as a result of the cuts agreed to by the heritage minister.

What will be the consequences of these cuts? Well, there will be fewer cultural productions, fewer in–house productions, fewer television serials and less Canadian content, and all this in the age of the information highway. However, the heritage minister continues to pussyfoot around. No, there are no other cuts than the ones announced in the budget; no, the CBC did not inform him of any layoffs. In an editorial published in *La Presse*, editorialist Pierre Gravel talks about the lack of openness on the part of the heritage minister, and I quote: "Instead of being straightforward and behaving like a minister conscious of the seriousness of the issues, Mr. Dupuy only answered with a metaphor, in very poor taste, about the fact that when you let the ewe out of the barn, it comes and relieves itself on your doorstep".

Yet, the budget mentions $676 million in cuts to the crown corporations which come under Heritage Canada, namely the CBC, Telefilm Canada and the National Film Board. Mr. Manera did, in fact, receive a letter from the minister, and the minister

now admits that under the program review a plan for cuts was indeed produced. We are now used to the pussyfooting of the Minister of Canadian Heritage. Chantal Hébert, a reporter with *La Presse*, mentioned it in an article entitled: "The variable time of Minister Dupuy". His controversial statements have become his trademark.

In an article published on March 4, Mrs. Hébert said that, in the case we are dealing with, the minister "sent smoke signals in all directions, and gave as many different interpretations of events as there are days in the week. His public declarations contradicted the outgoing president, his top civil servants and what he himself has said unequivocally on the same issue". While the heritage minister is getting ready to drastically cut parliamentary appropriations to CBC–SRC through the back door, the chairman of the Canadian heritage committee, the member for Don Valley West, is appearing on the front porch, ready to talk.

He appeared twice on "Le Point médias", on Radio–Canada; he has appeared on CBC "Prime Time"; he is appearing on any possible forum available to him, more often than not replacing a heritage minister who would rather stay silent. And what is our heritage committee chairman saying on all these forums? He is saying that the future of CBC–SRC lies in a formula somewhat similar to PBS, in the United States, an under–financed public network which, according to Madeleine Poulin, of "Le Point médias", reaches only one per cent of the population.

Of course, he says, somewhat reluctantly—since he is after all a man of culture—, that French television is slightly different from English television because, as he told "Le Point médias", the Quebec environment is not yet a multi–channel one. The member for Don Valley–West was clearly implying that Quebec was slightly behind the rest of Canada, because fewer viewers have cable, but that it is only a matter of time before we are engulfed in the multi–channel universe. After all, he said, we already have TV5, and, to a degree, we are already being invaded by French–speaking European television.

It is not a coincidence if the committee chairman is displaying in such a manner his personal feelings on public broadcasting. We feel that he has been given a mission. He is preparing public opinion for a radical shift in policies regarding Canadian public broadcasting.

• (1030)

In the guise of sharing his personal opinion, the chairman of the committee is revealing to us the views of his government and is preparing us accordingly. Make no mistake: public television for the Liberal government amounts to a Canadian version of PBS.

This vision is perhaps fine for English Canada, which in any event seems to be having quite a bit of difficulty finding a niche in the multi–channel universe, as the committee chairman so eloquently put it. But this vision is completely wrong where French television and Radio–Canada in particular are concerned.

And that, furthermore, is what Radio–Canada, TVA, the Union des artistes, the Guilde des musiciens and the Association des producteurs de films et de télévision du Québec had to say at the information highway hearings now being held by the CRTC. In the present multi–channel universe, French television occupies a generalist niche, and this is not just some theory, but hard reality.

Of the 50 most popular French–language television productions in Canada, 47 are produced here in Quebec, where we are just as exposed to the multi–channel universe as our English–speaking cousins in Toronto. Radio–Canada reached 3.9 million viewers last February 5 with the independently produced *made in Québec*.

Knowing that French television is under–funded compared to its English counterpart, one wonders what we could achieve if we were on the same financial footing as the English arm of the CBC.

A recent poll by Som—Radio–Québec revealed that 53 per cent of Quebecers opposed cuts to the CBC, and 7 per cent thought there should be an increase in its parliamentary votes. Perhaps the fact that 60 per cent of Quebecers say they like their television network is not enough for English Canadians, who take decisions about the French network without even viewing it.

This is why Michèle Fortin said that the disappearance of Radio–Canada's public television from the generalist niche, where it reaches large audiences never reached by Canadian English–language stations, is collective suicide. Mrs. Fortin quite rightly recalled that, in Quebec, PBS–type public television niches are already occupied by RDI and Radio–Canada, for example.

So, as the CBC French network Vice President, Mrs. Fortin, has also noted, the member for Don Valley West does not watch French television, like others, for that matter, who wish to impose on it a solution that is perhaps better suited to the English network.

The Bloc Quebecois will oppose the loss of CBC French television. We have already lost a lot. Like my fellow citizens from Rimouski, I have witnessed the closure of three local TV broadcasting stations in the lower St. Lawrence in 1990. Acting as it did, the CBC French network deprived the region's inhabitants of the opportunity for debate, for the exercise of democracy.

In the coming debates, the government will try to make us believe that no decisions have yet been taken. Indeed, they have been taken, just not announced, that is the difference. In the coming debates, the government will try to make us believe that

it will replace parliamentary votes by new funding sources to be suggested by the heritage committee.

It is no secret that the member for Don Valley West told "Le Point médias" that the committee's mandate was to study the sex of angels, in other words, to find long term sources of funding for the CBC French network, not just for next year or the year after.

In the coming debates, the government will try to make us believe that the committee of three experts that it will soon set up to study the complementarity of the mandates of Telefilm, the National Film Board, and Radio–Canada as well as of their funding might change the situation for Radio–Canada. The government will get no one on this side of the House to believe such nonsense.

The government might attempt to say that cuts were imposed on Radio–Canada, but it will convince no one. The impact of the $10 million cuts made to Radio–Québec, as difficult as they were, has nothing in common with the $60 million cuts made to the CBC French network.

• (1035)

The government may also try to make English–speaking Canadians think that we do not care about their national television, but that is not true. If we are focusing more on the French CBC today, it is mainly because its vice–president has announced the effects the forthcoming cuts would have on our television.

We would not have the presumption to tell English–speaking Canadians what their television should be like. As for the Reform Party, it will probably say how pleased it is to see that the heritage minister is implementing part of its program.

Indeed, the Reform Party did propose to reduce the CBC's budget by 25 to 30 per cent in the taxpayers' budget it presented a few weeks back. This proposal in no way takes into account the role public television plays in Quebec and in French Canada nor does it meet the expectations of French–speaking Canadians.

I will conclude by quoting the French television spokespersons who appeared before the CRTC: "The policy proposals that will be drafted in the months to come will focus on one major and crucial objective, the promotion and preservation of French–Canadians' identity. Our current broadcasting system requires its partners to make a lot of room for Canadian content, and that has furthered the expression of our cultural identity and has contributed to the growth of audio–visual production in both our official languages. We should not let what we have acquired so far be jeopardized".

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, I listened with great interest to the hon. member's speech. Like her, I am a staunch supporter of CBC's French language network and of the CBC.

[*English*]

I listened with great sympathy to what the member opposite had to say. I am a great supporter of both radio and TV as far as the CBC is concerned. That includes Radio Canada International. I like the fact that by radio we can reach out not only to Canadians of both languages but to all those interested in Canada, whether they speak English or French, whether they be in the English speaking world abroad or in la francophonie. I am a great supporter of that.

I like the fact that from coast to coast to coast Radio Canada and the CBC are there in both languages. The northern service of the CBC is a particularly fine example of what is being talked about. It deals with the most remote areas of the country. It spills over into Greenland, which is related to Denmark, and into Alaska. Our voice is heard in both languages throughout the north.

It is partly as a result that French is one of the languages used in simultaneous translation by the legislature of the NWT in Yellowknife. It is one of the eight languages it functions in.

As a member from Ontario, from a riding where less than two per cent of the population speaks French, the French language services are a very special feature of the CBC. In Ontario we have La Chaine, a provincially based French language service and it has great support throughout the province.

The CBC is a billion dollar a year corporation. We know that like large government, large corporations have problems. They have financial problems. They have organizational problems.

Many members here have had experience with the CBC. I am told the CBC is top heavy, and in particular is middle heavy. It is heavy in the middle management area.

• (1040)

It has excellent artistic people on air, on camera who write and produce things. A great deal of the resources go into middle and upper management areas.

Does the member not think any billion dollar corporation in Canada should be examined from the point of view of its efficiency with great detail in these difficult financial times?

[*Translation*]

Mrs. Tremblay: Madam Speaker, I thank the hon. member for his question. It goes without saying that we must absolutely ensure that—with a budget of one billion dollars—CBC is managed efficiently. We must ask ourselves the right questions but, more importantly, we must get answers.

I sit on the heritage committee and its members almost unanimously agree that we are somewhat disturbed by the corporation's lack of transparency when it comes to really telling us how it is managed. There are many things which we do not know about. For example, we do not know the exact cost of

the corporation's head office. Only recently did we find out how much it costs to pay this group of bureaucrats, lawyers, secretaries, specialists or experts—whatever you want to call them. It costs the corporation $15 million just to appear before the CRTC every year. This $15 million is almost money thrown out the window since, after all, the CRTC cannot take away CBC's licence. The corporation is governed by an act. So these positions could be cut.

Sure, there are positions which can be cut. But I am concerned that these cuts might affect artistic workers or creators. If three or four vice–president positions are eliminated, I will not rise in this House to question that decision. It goes without saying that cuts can be made. The head office is useless, but no one can answer that question.

Do we still need a large engineering service, at a time when the information highway is becoming a reality? Unfortunately, we did not take on a leadership role in that regard. There are many questions to be asked. However, the problem is the situation in which we find ourselves; it is the uncertainty in which the minister keeps us. He does not say things the way they should be said. Will cuts be made? Yes, they are mentioned in the red book. The figure is $679 million, but the government continues to claim that it is $44 million. This is the problem.

I read an article in which a minister claimed to be a person of substance. That must be the case only when he is talking to the media, because so far we have no evidence of that when he speaks in this House.

[*English*]

Mr. Jim Abbott (Kootenay East, Ref.): Madam Speaker, I find it particularly unfortunate today that the Bloc has chosen to bring this issue to the House for a couple of reasons.

We have thousands if not tens of thousands of people who presently cannot get to work or even if they could get to work do not have the materials with which to conduct their jobs. It is estimated the strike by the rail workers which the Bloc is stopping will cost the economy $3 billion to 5 billion. When the Bloc comes to the House to discuss this issue, I find it really unfortunate.

Speaking specifically to the motion of the Bloc, why is it—

The Acting Speaker (Mrs. Maheu): Order. Your question should be directed to the previous speaker and her comments.

Mr. Abbott: Madam Speaker, I was coming to that. Why is the Bloc motion dealing only specifically with the issue of Quebec? If it is the official opposition, why is its motion not more encompassing with respect to the question of CBC?

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Madam Speaker, I made it clear in my speech that I would talk specifically about the French–language network of the CBC because this is the one I know best and because Mrs. Fortin was the only vice president to make her position known. The vice president of the English–language network probably never thought that there would be cuts because he believed Mr. Manera. So he did not do what he had to do and he still does not know where to cut in the English network. For her part, Mrs. Fortin was ready to adapt to the new situation.

• (1045)

Since my colleague mentioned the train, I will tell him that if the proposals from the official opposition were accepted, we could easily resolve the rail strike. If we could have a little bit more co–operation than confrontation in this House, the problem could be solved in the next three hours.

It is fine to debate our respective points of view, but if we were to stop arguing for the sake of arguing, we could solve the real problems.

Ms. Albina Guarnieri (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Madam Speaker, it is a great pleasure to rise on behalf of the Minister of Canadian Heritage and speak on a motion from the opposition concerning significant and continuous support of the CBC by this government.

Discussions about the CBC cannot be but emotional, undoubtedly because the CBC is so dear to Canadians.

[*English*]

Each night Canadians tune in to CBC news to keep up to date with the new challenges facing the country and the government. As Canada's first source of public information and as a source of national pride, the CBC is acutely aware of the challenges that must be met for Canada to achieve a sustainable level of prosperity.

The CBC is Canada's largest cultural institution. It is the guardian of the Canadian experience. The voices of Canadians echo through its history and its archives. For most of this century Canadians have sought their reflection, which they found in the CBC.

[*Translation*]

Since it was founded in 1937 by the then Liberal government,the CBC has been the main instrument of the Canadian broadcasting policy. As a true reflection of our country's growth, the CBC has adjusted to the new realities with the passing decades.

Reflecting the Canadian situation at the time, the 1968 Broadcasting Act conferred a far–reaching mandate to the CBC: to broadcast everything, in fact, so as to please everybody. This

mandate was quite appropriate in 1968, since the CBC, particularly the CBC television network, was the only service many Canadians had access to in a world where broadcasting was still made through waves.

Nowadays, the conditions are drastically different. Apart from technological progress, among them the multichannel broadcasting, Canada can now rely on dynamic and innovative private producers. This means that the CBC does not have to produce all its own programs, particularly its entertainment programs. Thus, the CBC now buys about 46 per cent of its English–speaking and French–speaking programs from independent Canadian producers. These programs complete its in–house programming.

[*English*]

In recent years the CBC has been focusing increasingly on bringing Canadian programming to Canadians. To counter the dominance of U.S. mass culture, the CBC's primary concern has been to attract large audiences to Canadian programming. That is just what the CBC has been doing.

Witness the success of CBC productions like "Road to Avonlea", "La Petite Vie", "North of 60" and "Scoop", to name only a few. CBC programming, especially in drama, has achieved excellence over and over again.

[*Translation*]

The problems and challenges of the French language network are not those of the English–language network. Indeed, the French–language market is more limited and concentrated than the English–speaking market. This creates conditions and an industrial structure that are quite different than in English Canada. This government recognizes that these two different situations call for different policies.

• (1050)

The French network of the CBC has done an excellent job in Quebec, where it is very important to French–speaking viewers. The province has its own star system and many artists from Quebec are well known in all French–speaking households. The network has been a useful springboard for French–speaking artists and has contributed to the creation of a strong Franco–Canadian identity.

[*English*]

Not since the advent of television has the CBC been asked to accelerate its evolution to the extent that technology and finances are demanding today.

However the public must never be the missing link in the CBC's evolution. Last fall the public joined the Standing Committee on Canadian Heritage in its journey toward a new future for the CBC that will be more than brave new words. It will be a future that will ensure the survival of the fittest source of Canadian content, the CBC.

The road to CBC's success was paved with new definitions, new ideas and new ways of dealing with the realities of the time. The most recent exercise of this kind dates back to 1991 when one of the elements of the CBC's mandate was reaffirmed: "to contribute to a shared national consciousness and identity".

[*Translation*]

The funding provided to the CBC accounts for more than 60 per cent of the total federal funding provided to cultural organizations under the Department of Canadian Heritage. The CBC could be compared to an orchestra that provides a showcase for all the cultural instruments.

[*English*]

The CBC has allowed the community of Canadians to develop regionally and nationally while always being in tune with each other's concerns. The CBC can legitimately take credit for being the link that allowed the far flung communities of the second largest territory on earth to define themselves as Canadians. The CBC is the lenscrafter of Canada's vision of itself and the world. It magnifies our cultural sovereignty and helps us see our way clearly through many challenges ahead.

[*Translation*]

The Minister of Canadian Heritage thinks that the present context, characterized by all these challenges and changes, gives us an opportunity to re–evaluate the role that public broadcasting plays and must continue to play, given the increasing globalization and the existing social and economic situation.

[*English*]

The epicentre of the first tremor of challenge can be found in the realm of technology. Consider the multiplication of television channels which is already considerable and which satellite and digital compression are about to render astronomical.

One may ask what purpose public broadcasting serves when services and choice proliferate and the line between public and private television, once clearly defined, seems to be blurring. The response to that challenge is that the role of the public broadcaster has never been greater, nor the need for it more urgent.

[*Translation*]

These multiple choices, coming for the most part from outside Canada, will be dictated essentially by the logic of commercial television, which is different from that of public broadcasting.

[*English*]

If public television is to survive it is in its best interest to flaunt the characteristics that distinguish it from commercial television. It is by firming its difference that public television justifies its social values.

Public broadcasting cannot be guided solely by commercial considerations in so far as it has quite a different mission to bear witness to society's progress to affirm our national identity. The true mission and values of the CBC form the source of its appeal to many Canadians.

Public broadcasting is an instrument designed to democratize culture and information and showcase the Canadian contribution on the world stage. That is the public service in public broadcasting and one important reason why it should not be sacrificed entirely to the demands of commercial advertising.

We understand that as a public corporation facing low tide fiscally, the CBC needs to launch itself as a cultural vessel custom built for these leaner times. We are confident that CBC management will be able to navigate through uncharted waters ahead.

• (1055)

In the 1995 budget funding for the CBC was set at 4 per cent below previously scheduled levels. This will amount to a savings of $44 million for the coming year.

[*Translation*]

As the opposition speculates about the contents of the 1996 budget, the Minister of Canadian Heritage has been hard at work laying the foundations for a stronger CBC.

[*English*]

We already know that important changes are taking place within the broadcasting industry. Fundamental changes beyond budget reductions and advances in technology leading toward greater diversity are expected to translate into more competition, fragmented audiences, a major investment in technology and potentially higher costs for Canadian programming.

In television the advent of digital video compression will make direct broadcast satellite distribution possible and increased capacity for cable undertakings will make the 500–channel universe a reality.

[*Translation*]

The government must ensure that the private and public Canadian broadcasting system is ready to compete at the national and international level, on the information highway and in all the mega–networks of the future.

[*English*]

The review by the Standing Committee on Canadian Heritage of the role of the CBC combined with the other supporting initiatives of the government, the information highway advisory council, the examination of the direct home satellite issue, the mandate review of the Canadian Broadcasting Corporation, the National Film Board and Téléfilm represent the comprehensive integrated approach that will result in sound government policy which will take Canada and Canadian cultural products successfully into the information age. The approach will allow Canadian broadcasting and Canadian culture both English and French to thrive.

As the opposition speculates about the contents of the 1996 budget the Minister of Canadian Heritage has been hard at work laying the foundation for a stronger CBC.

[*Translation*]

According to the Bloc Quebecois, it is a threat that can only be eliminated by the publication of speculative projections for the next two years.

[*English*]

The hon. member's motion refers to some ominous threat looming over the CBC's French language network. The motion wrongly attributes this threat to a decision of the government to publish only the precise funding level of the CBC for the coming fiscal year.

[*Translation*]

By speculating on the possible number of people that will have to be laid off by the CBC, the opposition does nothing to help the cause of our public broadcasting system and adds to the climate of uncertainty felt by employees affected by the cuts.

[*English*]

I would like to end on a curious note. It seems strange to me that the entire basis of the motion is the hon. member's concern over the contents of the 1996–97 federal budget which should only matter to her after the separatists lose the referendum. Her heated comments are evidence of a referendum campaign gone stone cold.

Mr. Leon E. Benoit (Vegreville, Ref.): Madam Speaker, the parliamentary secretary indicated that the CBC should be the body involved in defining our identity as Canadians.

I have heard that point before in the House from members opposite. I have had no calls from my constituents asking for anyone to define them as Canadians. I have heard of no calls from my colleagues' constituents to help them define themselves as Canadians. I certainly feel no need personally to have anyone define me as a Canadian. I am a Canadian and I am happy and proud to be one. I do not need anyone to define what a Canadian should be.

• (1100)

Has the hon. member had calls from her constituents for a definition of Canadians? Maybe the hon. member could refer to letters and petitions she may have received as well as calls about the definition of Canadians.

Furthermore, does the member feel that the CBC, a crown corporation, would be the body her constituents would go to for a definition of what a Canadian is? Going to a government organization to get a definition of what we should be as Canadians sounds a little strange to me. I would like the hon. member to respond to those questions.

Ms. Guarnieri: Madam Speaker, the hon. member asked me if I have had discussions with my constituents about the CBC in recent days. If that is the benchmark the hon. member uses simply to gauge the importance of the CBC, then there is a serious omission, if he will forgive me, in the hon. member's education.

Yes, I have had numerous discussions with my constituents about the CBC. It has been a topic of conversation recently and it has certainly been highlighted in the press. The Reform Party's view of the CBC is really the same view the Spanish trawler has of the last turbot. The Reform fantasy budget would fish the CBC into extinction. The Liberal approach offers the opportunity for the CBC to grow and thrive in a new age of broadcasting.

One reason the Liberal budget has been so well received by so many people throughout the country is that they understand our cuts are not based on some ideological vendetta against cultural communities. They are based on necessity and not on the type of philistine intolerance shown by the Reform Party of our cultural programs. Our budget is driven by a genuine necessity of concern for the programs that Liberals have built and Liberals will continue to build in the next century.

[*Translation*]

Mrs. Tremblay: Madam Speaker, I listened attentively to my hon. colleague, whom I know very well for we have been working together since the beginning on the heritage committee. But I do feel there are limits to trying to mislead people. Truly, this government seems to be affected by the untruth syndrome. There is no more serum left to cure it because they have exhausted all the supplies available, for they have failed all the tests they underwent throughout their existence.

We are not speculating about the number of positions that will be cut, we are taking the word of the vice–president on it. That is not speculation. We are not only concerned about what will happen, but also sick and tired of hearing the minister telling us lies in the House, not telling us the truth and misleading us from start to finish. People are fed up. That has to stop. We need the real figures because it is imperative for both the francophone and the anglophone networks to know exactly where they are going in order for the CBC to really evolve.

The hon. member stated that the minister, instead of speculating about the years ahead, is laying down the foundations of the CBC. Foundations my eye. He is not building them up, but demolishing them. So, Madam Speaker, what is the hon. member waiting for to wake up within her government, before there is no more public television left? Everybody knows public television comes with a price tag. Every decent, self–respecting country has a public television network, and that does not prevent private television from existing beside it. We are not asking for a status quo regarding the CBC's finances. We know there is some clean–up to be done. But we are asking the government to stop making these deep cuts and preventing the president of the CBC from getting the corporation back on its feet, on the right track.

● (1105)

What is the hon. member waiting for to stand up—she is the parliamentary secretary to the Minister of Canadian Heritage—and to wake her minister up so that he will stop destroying this essential cultural tool?

Ms. Guarnieri: I fully agree with the hon. member there are limits to misleading people. The motion she just submitted misleads the Canadian public. I think the president of the CBC showed at a sitting of the committee she attended that he understood fiscal realities much better that the official opposition does.

I would like to remind her of what Mr. Manera, former president of the CBC, told us. I will find the quotation because I want you to hear the very wise remarks he made. Here is what he told us: "Mr. Chairman, we of the CBC, acknowledge that the financial situation facing the country is indeed serious and we certainly cannot escape, nor should we intend to escape, the austerity measures that have to be taken in order to bring our finances in order".

As you can see, the former CBC president had a realistic point of view. It is quite clear that, as a government, we will reexamine the role of the CBC, and the standing committee, three members of that committee and the Minister of Canadian Heritage all work very hard on this. I hope the hon. member will be patient enough to wait for the advice of a committee she sits on. Future budgets will provide the CBC with the resources it needs to carry out its redesigned role.

We know what our commitments are. I want to give assurances of that to the hon. member, and I think it is about time that the Bloc woke up.

Mr. Ghislain Lebel (Chambly, BQ.): Madam Speaker, when the parliamentary secretary refers to her committee, I hope she is kidding. There are two distinct components in the CBC, the French network and the English network, but the committee which she is a part of comprises a majority of English–speaking people, who are Liberal on top of that. It is therefore pretty difficult to get parity.

It is like putting Dracula in charge of a blood bank. Would she please explain to us how she intends to be fair in this committee, where anglophones form the majority, so that the interests of the francophones in the CBC are defended?

Ms. Guarnieri: Madam Speaker, I wonder what the member is trying to make me believe. Does he want me to believe that the Bloc members are wasting their time in the committees? Personally, I have a lot of respect for the work of the members of the committee. I do not think we have wasted our time. We will reflect on this and recommendations will be presented at the end of the process for the minister's consideration.

I find the Bloc's interest in the CBC ironic and I often wonder what lies behind this passionate interest in an entirely Canadian cultural institution. Why does the Bloc reject the country which has created an institution it admires?

• (1110)

[*English*]

Mr. Hugh Hanrahan (Edmonton—Strathcona, Ref.): Madam Speaker, the Reform members will be splitting their time today.

It gives me great pleasure to rise today to discuss this motion which has been put forward by my hon. colleague from the Bloc Quebecois.

It is important to note that it seems a little particular that we are debating this issue in the House when this exact issue is before the heritage committee. We as a committee have been reviewing the CBC for quite some time, focusing primarily on the issue of the role of the CBC in a 500 channel universe.

When the committee began this endeavour in September of last year, our mandate also included how to fund the CBC and report to the finance minister with recommendations for budgetary cuts in this year's budget. That timetable was postponed. We then set a new tentative date to conclude and make our recommendations to the House as a whole by the beginning of March. It is obvious the committee did not meet that timetable.

Presently we are still reviewing the CBC. No action plan or recommendations are in place. Therefore perhaps it is appropriate that the Bloc has introduced this motion to debate this issue on the CBC.

It is also abundantly clear to me and to most Canadians that this government is unwilling to deal with the fundamental issues such as the CBC and its financing. Since our arrival in Ottawa this government has introduced discussion paper after discussion paper while ignoring the pleas of Canadians for action.

If we look at the Liberals' latest budget, we see they have begun to sing from the same songbook as the Reform Party. Canada's national debt and deficit have moved from the back burner to the mid–range burner. These notorious tax and spend Liberals are beginning to see the flaws in such a policy, yet they are still attempting to hold onto all government entrenched programs through an ever decreasing amount of resources.

The fact is however that Canada does not have a revenue problem but a spending problem. This spending problem is perpetuated by the fact that the federal government continually spends billions of dollars on programs that could be done by the private sector at no cost to the taxpayer. This would ensure that the necessary funding would be available for priority departments such as health, education, defence and veterans affairs.

In terms of privatization, this government has taken a step in the right direction, however it has not gone far enough. Every ministry has one or more areas in which the government is providing a service which is in competition with the private sector or could be done more effectively by the private sector.

We as a government must balance our books which means all areas of public financing must be evaluated for efficiency, cost and effectiveness. It is for these reasons we are looking at the financing of the CBC.

The CBC's primary mandate should be the provision of distinctive culture specific information and drama programming. In an increasing multichannel environment the current mandate to provide a wide range of programming that informs, enlightens and entertains is too broad.

It is also clear that the mandate of the CBC is to provide Canadians with predominantly Canadian programming. What Canadians are being subjected to is extremely questionable in terms of meeting this prescribed mandate.

• (1115)

The issue is no longer whether the CBC has adequate funding. That has passed long ago. Rather, it is the structure of the CBC. In particular, the CBC has not adjusted to the realities of the marketplace. It is outdated, highly centralized and expensive.

We must constantly remind ourselves that the Canadian broadcasting environment has changed radically since the original conception of the CBC.

New technologies and new services change viewing tastes and fundamental changes in advertising behaviours have transformed the broadcasting environment. Do not forget that in a world where the CBC is no longer the only national service, does it make sense to use scarce public funds to subsidize the provision of commercial television programming?

In this new world of broadcasting, consisting of many more options to television viewers, public broadcasting cannot effectively maintain the objective that it is all things to all people.

It is therefore essential for survival in this multichannel universe that the public broadcaster be willing to reinvent itself. It is quite evident the corporation is unwilling to do that.

The president and the former president of the CBC stated revenues were not their mission. We must therefore as parliamentarians address this area for them. Since revenues are not the mission of the CBC, what is?

How can a private company such as CTV make revenues its mission while still adhering to Canadian content regulations? CTV last year spent $488 million while the CBC spent $561 million on Canadian content programming. This is not a huge difference considering we spent over $1 billion for the operation of the CBC and nothing on CTV.

CTV spends close to the same as CBC on Canadian productions. The difference is that one is government owned and one is privately owned. One is a drain on the public purse, the other adds to the public coffers through taxation of profits.

Had this government privatized the CBC it could have saved the taxpayer approximately $800 million and this number does not include revenues that would have been generated from the sale of approximately $1.5 billion in assets, which the CBC currently holds.

The sceptics will rise and say that if we privatize the CBC, Canadian culture will perish, Canadian culture cannot survive without government intervention. Surely they jest. Canadians are extremely talented. They produce, write, paint, create. They do this not because the government says it is okay, but rather because they want to create. The fruits of their labour will sell if it is quality, and it will not if it is not.

Art and culture should be created not because government thinks it is so, but because the artist wants to do it. The more government gets involved, the more things seem to go awry.

I would like to make a comparison between the privatization of Air Canada, Petro–Canada and the possibility of similar action being taken with regard to the CBC but I see my time is running out.

I would like to amend the motion of the Bloc. I move:

That the motion be amended by deleting all the words after the word "years".

● (1120)

Ms. Albina Guarnieri (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Madam Speaker, if I understood the main thrust of the hon. member's comments, he certainly encourages the government to privatize the CBC.

I noticed in the Reform fantasy budget it mentioned cutbacks of some $360 million. I wonder if the hon. member could delineate what the Reform game plan would be for the CBC.

Mr. Hanrahan: Madam Speaker, I thank my colleague for the opportunity to deal with the question.

What I would recommend very clearly is that we look at a number of possible options with respect to the privatization of the CBC. The first option would be an outright sale to the highest bidder.

While I recognize the beginning of a trend to cut the CBC's budget, what concerns me is that we are going to continue to cut the CBC and have it die the death of a thousand cuts. There will be nothing left at the end of it. If it is going to be viable, saleable, I recommend we sell it while it still has strength.

Another possibly would be a simple public share issue which would divest the government of the entire company. A third option, although I do not particularly favour it over the other two, is mixed ownership involving public and private investors, as we have done with other companies.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Madam Speaker, in addressing the motion on funding for the CBC brought forward by our honourable Bloc colleague, it is passing strange that this motion on a supply day should take place when we have almost a national crisis on our hands with the rail strike. I do not see how talking about the CBC is of any import alongside that problem. Nevertheless, here we are faced with it today.

I will paraphrase the hon. member for Rimouski—Témiscouata when she addressed a Reform motion on the CBC last June. She said although the Reform Party may disagree emphatically with the way certain situations are dealt with at the CBC, it does not support the motion presented by the Bloc member for Rimouski—Témiscouata.

If we look at the history of the CBC we see it was the genesis of the Aird commission in 1929, although it did not officially become the Canadian Broadcasting Corporation until Mackenzie King's Liberals rewrote the Broadcasting Act in 1936. The last revision of the Broadcasting Act came in 1991 under Brian Mulroney's Tories.

● (1125)

However, over that time the mandate of both French and English CBC has remained relatively unchanged. Is it possible for a mandate nearly 60 years old to still be valid, particularly in an age of technological change such as we have now?

The forerunner of the CBC, the Canadian Radio Broadcasting Commission, suffered from underfunding, an uncertain mandate and inappropriate administrative arrangements. The same is true in part of the CBC today.

If we look at these problems separately, we must first address the issue of underfunding. We know Canadian taxpayers cannot afford to increase the roughly $1 billion in subsidies the CBC already enjoys. The Liberals' answer was to pass legislation for the CBC to borrow money. This is certainly not the answer, as it only increases Canada's already enormous debt load.

The Liberals have also considered taxes on things like video rentals and movie tickets to fund the CBC. This is also unacceptable, as Canadians are already overtaxed. Therefore the only solution would appear to be privatization to allow the corporation to become competitive and raise funds through the private sector by means such as increased advertising. There is no reason the CBC does not have the capacity to compete commercially.

The second problem of an uncertain mandate can best be illustrated by looking at how Canadian politicians view the role of the CBC. Last June in the House the Prime Minister said: "The law says in defining the mandate of the CBC that it must inform people on the advantages Canada represents. This is the reason for the creation of the corporation".

One day later on CBC radio the Deputy Prime Minister stated the Canadian Broadcasting Corporation has a responsibility to acknowledge that one of its responsibilities is to promote Canadian unity.

Neither of these interpretations reflects the reality of the CBC mandate which is to provide a wide range of programming that informs, enlightens and entertains, and to reflect Canada and its regions to national and regional audiences while serving the special needs of those regions.

While this example points to part of the problem with the uncertainty with the CBC's mandate, it also illustrates the way a public broadcasting service can become politicized and even manipulated by its political masters. I believe privatization could address this problem as market forces would quickly force the CBC to find its niche while still promoting Canadian culture. It would also remove the potential for political interference.

The final problem that existed with the CRBC 60 years ago and is still relevant for today's CBC is inappropriate administrative arrangements. The CBC receives more than $1 billion in taxpayers' money to operate yet still has a deficit of $45 million in its operating budget. In the last year about 2,000 jobs have been cut at the CBC in an effort to become more competitive. Despite these drastic cuts to the staffing budget, CBC's deficit continues to grow. There is simply no incentive at the administrative level to ensure a healthy bottom line.

Privatization appears to be the only acceptable method of dragging the mother corp into the fiscal realities of the 1990s and beyond.

Let us look specifically at the CBC French operations of Radio–Canada. A recent news report suggests that up to 750 of the 2,500 employees at SRC may be cut as a result of funding cuts. The vice–president of French television, Michèle Fortin, admitted in the same article: "Those who will suffer most from probable cuts are not viewers. We can supply to the public programs of the same quality and content if we purchase them from private producers or other networks".

• (1130)

If that is truly the case, and we have no reason to doubt Mr. Fortin, then what is this ominous threat looming over the CBC's French language network which my hon. Bloc colleagues are so concerned about?

We should also look at an independent survey conducted by the CROP polling firm in October of last year. In that survey, French speaking Quebecers stated that the quality of programming on privately operated TVA was equal to that of government funded Radio–Canada. In fact, in all areas the respondents rated the two stations equal.

However, when asked if: "Because Radio–Canada is subsidized and the other networks are not, that creates unfair competition", 56 per cent of French speaking Quebecers agreed while only 39 per cent said no.

Similarly, when French speaking Quebecers, many of whom we might presume are Bloc supporters, were asked if Radio–Canada's public funding should be cut because of the federal government's deficit problems, 55 per cent said yes while only 37 per cent disagreed. They are roughly the same percentages.

The same arguments I presented for the privatization of English language CBC are relevant to French CBC. The only way to ensure a viable Radio–Canada into the 21st century is to make the operation responsive to market forces and to take advantage of modern satellite technology.

For example, CBUF–FM, the CBC's French language FM radio station in Vancouver, has a staff of 25 and an annual budget of $2.2 million. Its average audience in any given quarter hour over its entire broadcast area is 100 people. That is according to the Bureau of Broadcast Measurement.

The same is true of Edmonton's French language station CHFA which has a staff of 32 and an annual budget of $2.4 million. Again, according to BBM figures, the station is fortunate if its audience tops 600.

In just these two examples we see how $4.6 million in tax dollars are being spent to service 700 people. That is almost $6,600 per listener. This is not very efficient.

If these services were privatized and forced to depend on local advertising it is quite likely they would be forced to close. However, with the advent of modern satellite technology it is quite possible to maintain a small staff of reporters in both markets that would provide local stories and features via satel-

lite to be included in regional and national programming. This would not only save taxpayers millions of dollars but would also allow Radio–Canada to fulfil its mandate and get out to the people of a minority language where it is needed.

The time for bleeding heart motions such as the one before us today is over. We must address today's situations based on today's realities, not some teary eyed, romanticized vision based on the way we did things in the good old days. Times have changed.

Today's fiscal realities will undoubtedly mean restraint and government downsizing. However, tomorrow's technology means we have an opportunity to provide government services and information in ways politicians of even 15 years ago never dreamed.

For this reason I urge the House to vote against this near–sighted motion of yesteryear and leap into the 21st century by listening closely to the ideas my Reform colleagues and I have and will present during the course of the debate.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Madam Speaker, I listened to the member's remarks and I share a different view of the CBC. The Liberal Party founded the CBC in 1934. I have always believed that it was one of the great instruments that held the country together.

• (1135)

I believe also that in remote regions of our country where the private sector would not necessarily make the investment and take the risk, that the Canadian Broadcasting Corporation is there to make sure that every part of the country is interconnected and we can all feel as one.

A lot of things have been developed in Canada that have defied economic logic or to use business terms, earnings per share per quarter. We are not running a business here. We are building a nation. The criteria that one uses when building a nation and developing a set of values and a character for a nation are totally different from the value system used when running or building a business.

I would like to think that the Canadian Broadcasting Corporation is something that should be looked at in terms of building a nation and not just as a stand alone profit centre.

I regret that the Minister of Finance and the government have had to make the cuts in the budget to the CBC. Many people at the CBC are constituents of mine. I spent many a long hour having a glass of cranberry juice with Larry Zolf on the Danforth where he would reminisce about the contributions various artists have made and how some have grown through their exposure on the CBC. Right now all of these things are being jeopardized because the international bond markets, the people who control the real flow of capital, are holding the gun to our brain. I regret that and I know most members do.

Can the member not see that perhaps when we get our fiscal house in a little better order over the next few years that as a galvanizing agent we would go a long way to find something better? Would he not then, once our fiscal house is in better order, see that the CBC is something we should reinvigorate and make sure that it continues to build on that long history of pulling the country together?

Mr. Ringma: In response, Madam Speaker, I have to say first that we have a long road ahead of us before we get our fiscal house in order.

We are well aware of the situation. We are still $560 billion in debt. The deficit reduction program introduced in the latest budget is inadequate to cope with the situation. We are paying more and ever more money into servicing that debt. In two to three years time with the Minister of Finance rolling the moving target, we are still going to be in deep trouble if in fact we have not hit the wall before then.

I have to negate the argument "in time". I do not know when that time is going to come.

My second point in response would be that essentially the hon. member is living in the past. I concede that the CBC in times gone by has furnished part of the glue that has held the country together.

The Acting Speaker (Mrs. Maheu): Order. I am sorry, the hon. member's time has expired.

• (1140)

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Madam Speaker, I would like to second the motion presented by my colleague, the member for Rimouski—Témiscouata. The motion reads as follows:

> That the House condemn the government for the refusal by the Minister of Canadian Heritage to publish the government's decisions concerning funding for the Canadian Broadcasting Corporation (CBC) for the next three years, thus causing an ominous threat to loom over the CBC's French language network.

First, I will give a brief background. Then, I will describe the present situation and analyze its impact on the French–speaking community of Quebec and Canada.

Before starting, however, I would like to point out that, unlike the government, I will use both terms, that is SRC and CBC, to refer to the two sectors of our public television instead of SRC in the French version of documents and CBC in the English version. For greater clarity, the term SRC will refer only to the French network and the term CBC, to the English network. You will see later the importance of this distinction.

Under the precedent Conservative regime, many cuts were made. In 1990, certain services were abolished, 1,100 jobs were cut, three local television stations were closed, eight stations were transformed into information production offices. These cuts resulted in savings of $108 million.

These measures were vigorously denounced by the Liberals. The famous red book put it this way: "Funding cuts to the Canadian Broadcasting Corporation, the Canada Council, the National Film Board, Telefilm Canada, and other institutions illustrate the Tories' failure to appreciate the importance of cultural and industrial development". Those are the words of the Liberals in their red book.

And it went on: "A Liberal government will be committed to stable multiyear financing for national cultural institutions such as the Canada Council and the CBC. This will allow national cultural institutions to plan effectively". It would be difficult to find better intentions concerning culture and the SRC.

What is the situation today, following the tabling of the budget in February? On that famous day, February 27, 1995, we learned the extent of the budget cuts which would affect the Department of Canadian Heritage. We learned that this department's budget would be cut by $676 million over the next three years, in other words, 23 per cent of its global budget.

These cuts would affect the budgets of the CBC, Telefilm Canada and the National Film Board, which would be reduced by 4, 4 and 5 per cent respectively. In the case of the CBC, depending on how you understand the figures, it means a minimum cut of $44 million for the 1995–96 fiscal year. Furthermore, the day after the budget, the government decided to transfer Radio Canada International to the CBC and that accounted for an additional amount of approximately $12 million.

At the same time, the minister announced that the government would review thoroughly the terms of reference of the CBC, the NFB and Telefilm Canada. The CBC mandate would be examined, according to him, within a framework similar to that of the study being done by the Standing Committee on Canadian Heritage on the role of the CBC in a multichannel environment.

We must remember that, before the budget was introduced, the CBC already had to support a loss of revenue of $180 million because of the cuts previously made by the Tory government and a decrease in commercial revenues. The former president, Mr. Anthony Manera, was already worried that these cuts could kill public television for good.

Nevertheless, the Liberal government, in spite of the rhetoric of the red book, will not be impressed by so little, and certainly not if it is the Minister of Canadian Heritage talking.

And the saga goes on. Right after the budget was tabled, on February 28, it was announced that Mr. Manera would talk to the employees to explain the financial situation of the CBC. The explanations remain vague because figures can be seen differently by different persons. Yet, everybody agrees that in April 1995, the CBC will have to cut between $40 and $50 million to offset this loss of revenue, also called the structural deficit.

• (1145)

On the same day, Mr. Manera announced his resignation as chief executive officer of the CBC, when his mandate was supposed to end in February 1999, that is in four years. Talk about an early retirement!

In support of his decision, Mr. Manera alleged personal reasons, which the Minister of Heritage hurried to repeat using these words: "Mr. Manera has resigned for personal reasons; everything else has been totally invented".

By "everything else", the minister was referring, among other things, to the scenario of a $300 million reduction in the budgets of the CBC over the next three years. I would recall that, on his appointment to his position, in November 1993, Mr. Manera had demanded assurances from the minister that no huge cuts would be applied to the CBC. At that time, the same minister had made a commitment to give the CBC multi–year financing. He even went so far as to promise Mr. Manera that there would not be any more budget reductions at the CBC. He had dared describe himself as a "friend of the house", meaning the CBC, when he had been appointed as the Minister of Heritage. That is too much!

We must realize that we are not talking about ancient history here. We are talking about November 1993, just 18 months ago. We are talking about assurances that were given by a minister to one of the most important departments of his government. How sad and shameful.

Mr. Manera, who seems to have been somewhat more lucid than his minister, came back by setting the record straight: it was a cut of not only $44 million that the CBC would suffer, but of $350 million by 1997–98. The government was getting ready to reduce the total budget by 23 per cent over three years. All this after the minister had confirmed to his president that there would be no more cuts.

How did the minister respond to his president's statement? First, as I said earlier, he repeated that Mr. Manera had resigned for personal reasons. According to the minister, there was no relation between this resignation and the budgetary cuts announced. He said he knew that Mr. Manera was going to resign and that his resignation was for personal reasons. Somehow, Mr. Manera made it clear in his speech to the employees that he was resigning because of the budget cuts. This is quite a lack of communication. This minister is no doubt fully proficient in the

area of communications. He went on to say the same thing again on March 16 in similar circumstances.

In Montreal, the vice–president of the CBC French network, Mrs. Michelle Fortin, could already foresee the impact the announced cuts would have on the operations of her organization. On March 15 and 16, she called a meeting of her employees to take stock of the situation. According to her, the organization in Montreal would suffer cuts of about $60 million and there would be a downsizing of some 750 jobs over the next three years.

In answer to a question asked in this House in that regard, the minister said he knew nothing about the downsizing and tried to justify his position by saying that the CBC, his "official source" of information, had made no official decision. Need we remind you that the president and chief executive officer had already resigned and declared that he had no intention of presiding over the implementation of the new budget.

I would like to go back briefly to the minister's statements, in the order in which he made them. We saw that when he received Mr. Manera's resignation on February 28, the minister said it was for personal reasons. The day after, on March 1, he only mentioned again the figures contained in the budget. On March 2, we learned that Mr. Manera recognized he had received from the deputy minister of Heritage a secret document outlining the scope of the cuts for the three following years. The members of this House were treated to blatant nonsense.

While the opposition had that document in hand and was quoting it, the minister refused to admit that the figures were right. According to him, this document is based on assumptions which are part of a program review undertaken by another minister. All this when we know that the cuts depend on Cabinet's decisions. Where was the hon. minister? Is he not a member of the Cabinet? It seems that Radio–Canada employees and executives are better informed than the minister about the situation that is prevailing in this organization. In fact, on March 18, the *Gazette* published the information that Mr. Alain Pineau of the CBC had announced that the regional stations were threatened by the budgeraty cuts.

• (1150)

For the time being, it is more than appropriate to wonder what the minister has to gain by hiding the truth, since evidence points in that direction. We also have to wonder if further cuts are not going to be announced soon. We have to wonder what major initiatives the minister intends to put forward within the national television, and what political implications they will have.

It is interesting to look at the public opinion about these cuts in the French network. A recent SOM poll released last week by *La Presse* showed that 60 per cent of respondents want the subsidies allocated to the CBC maintained or increased. It seems the public can only praise CBC–SRC for the way it does inform Canadians and increase their general knowledge. In Quebec, the results are even more impressive since one Quebecer out of three are opposed to the cuts Radio–Canada is facing.

That raises a completely different issue: the gap in the audience ratings between Canada and Quebec. Quebecers listen a lot to national television whereas only 12 per cent of their English–speaking counterparts watch it. This is a big difference which should, in theory, have an impact on the subsidies allotted the two networks. Up until now, however, viewer ratings were not among the criteria used to determine budget allocations. We pay more attention to the production costs of the programs, which are higher in English Canada than in Quebec. This is a vicious circle in which we have been trapped for a long time and which has been raising questions for many years.

Let us turn to the announcement made by the minister with regard to the CBC mandate review. For the French network, this announcement raises a lot of concerns. Indeed, we know that English Canada is generally not happy with the CBC, as far as its cost–quality ratio is concerned. For $1 billion, many people think that we could get more for our money. As I said, this vision is not shared in Quebec where people are satisfied with the performance of Radio–Canada which is reaching, on average, 35 per cent of the viewers. Once again, we are faced with the dilemma of the two solitudes.

Once again, these two solitudes have different needs and tendencies. Could the government decide it woud be politically correct to invest more in the French network, which has good ratings, than in the English network that is not very popular? Can we imagine that the Canadian federalism could be flexible enough to allow for the government to be very generous with the French network, while reducing drastically the subsidies allotted to the English network? This question has not been debated yet. We must also ask ourselves what would be the consequences of the budgetary cuts.

In his brief to the Standing Committee on Canadian Heritage, the CBC spokespersons mentioned the possible impact of the reduction of its budgets. They said that the CBC would have no choice but to put thousands of people out of work. They added that their services would have to be drastically reduced and that no part of the mandate of the CBC would be left untouched.

The Minister of Finance said recently that any important reduction of the CBC budget would require a review of its current mandate. The citizens, the corporation employees and this House have the right to know where the minister and his government are going with the CBC. The Canadian public will not tolerate any longer the mysteries and the balderdash of the minister. Therefore, tell us what to do.

• (1155)

[*English*]

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Madam Speaker, as I listened to the member for Quebec talk about national institutions and our commitment to national institutions I did not understand where she was coming from. That party is committed to dismantling national institutions; that is its whole mission here. Have the Bloc members suddenly had some kind of a conversion they have not declared in public? Are they trying to figure out a way to recommit themselves to Canada by pushing the CBC? I cannot figure them out.

The member also talked about our commitment to stable, multi–year budgets. The member is absolutely right. It does say that in the red book.

One of the difficulties we have and which all Canadians should know is that we are trying to rebuild an economy that was literally on its knees. Our recovery is fragile. We are starting to get a little steam, but what does the Bloc Quebecois do this week? It refuses to let us table our back to work legislation so we can get our national transportation system going. This causes a ripple effect beyond imagination.

For an example I will use a sector that I had some association with, the automotive sector. It is not just the assembly plants that are brought to their knees, it is all of the small and medium size auto parts manufacturers that ship to these plants. The Bloc Quebecois right now is hurting the chances for a renewal of this country's economy even more so by shutting down our ability to rebuild this economy by keeping our transportation system in order.

The best hope and the best long term chance the CBC in all of its facets has in terms of restoring itself to the funding and renewed strength we would all like to see is by the Bloc members committing themselves to rebuilding the economy of all of Canada rather than thinking about their own parochial interests. Does the member not see that?

[*Translation*]

Mrs. Gagnon: Madam Speaker, I would like to thank my colleague for his questions and remind him of the commitments the Liberals made on multi–year financing to allow the Canadian Broadcasting Corporation to make a balance sheet for several years instead of operating on a piecemeal basis, as it is the case now.

When it sat in the opposition and during the election campaign, this government made promises that I do not think it can keep now. My colleague seems to be particularly concerned about the economic situation and he would like the Bloc to bring forward solutions to deal with some economic problems and the economic recovery.

I have here some figures. For instance, defence spending, which amounted to $11 billion, will be cut by 4.97 per cent, the budget for the advancement of women will be cut by 30 per cent and the budget for culture and communication will be cut by 23 per cent. Those figures show where the priorities of this government are: cutting by 23 per cent the budget for culture, which amounted only to $1 billion, and the budget for the advancement of women, which amounted only to $10 million, while defence spending is only reduced by 4.97 per cent. What about your priorities for economic recovery? We wonder.

In answer to another question that the hon. member asked about the railway problem, the opposition proposed some alternatives and I think that if the government had listened to them, perhaps we would have reached a decision very quickly.

• (1200)

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Madam Speaker, since its beginnings, la Société Radio–Canada—The French language counterpart of the CBC—has been the voice of Canada's francophone population and the mirror of our culture.

Sociologists will tell you just how closely the birth of the Québécois identity is linked to the cultural programming that Radio–Canada broadcast into our living rooms. Thanks to Radio–Canada, francophones in all parts of Canada have seen and recognized themselves. The network has offered shared experiences to all and, through its programs, opened up a window on the world. In more recent years, Radio–Canada has allowed the world to learn about our culture, our way of life, and our values.

We are all proud of Radio–Canada's achievements. We are proud because they are closely linked to the success of our broadcasting policy. This policy, which is set out in the Broadcasting Act, ensures high calibre programming in French. The Act stipulates that "English and French language broadcasting, while sharing common aspects, operate under different conditions and may have different requirements".

And in fact, la Société Radio–Canada has managed to give us quite unique programming, programming that has been highly successful and is even the envy of some on the English–language CBC side.

Thanks to this broadcasting policy, French–language programming obtains unbelievably high audience ratings, year after year. Nineteen of the twenty most popular French–language shows, and forty–seven of the fifty most popular French–language shows are produced in Canada. Yes, they are produced in Canada. And these programs are popular because they are good, their quality is universally recognized. This explains why a series like "Les filles de Caleb" has been sold in over forty countries.

Some people will say that this series owes its success to those who made it, which is true. We are indeed lucky to be able to count on such talented artists. Some of them have had their talents recognized abroad and have decided to work there. Gifted though they may be, however, not many of them could have reached such heights without the help of government policies and support to the cultural community.

Among the federal institutions which contributed in this way, I should mention Telefilm Canada, the National Film Board and the Canadian Radio–Television and Telecommunications Commission.

Not only has Radio–Canada played a leading role in the process of cultural affirmation, it has also played an incalculable role with regard to linguistic affirmation. As explained by the Authors of the report of the Task Force on Broadcasting Policy, also known as the Sauvageau–Caplan Committee: "Francophones are well aware of the importance of radio and television in strengthening the language. The best known example is the sports vocabulary, which was almost completely anglicized, even in France. Two Radio–Canada announcers, Michel Normandin and René Lecavalier, had to develop new terms to describe the games they were announcing and the French equivalents they developed were adopted so wholeheartedly that competing private broadcasters, print media and sports fans gradually began to use them, and they eventually became an accepted part of the language."

• (1205)

However, not only do francophones benefit from good quality programming, they are also able to receive broadcasting signals from a variety of sources. In the first place, there are the conventional television services: Télé–Métropole and Télévision Quatre Saisons, as well as two French–language educational networks: Radio–Québec and TVOntario's La Chaîne.

In addition to these, there are a number of specialized services: Réseau des sports, Météomédia, Canal Famille, TV5, Musique Plus and, just recently, Réseau de l'information, RDI. This last service addresses a need that had been identified within the Canadian broadcasting system. I hasten to add that the Bloc Quebecois itself had demanded that such a service be established. RDI went on the air January 1, 1995, and since then it has been doing an admirable job of covering events in Canada and elsewhere.

All these services provide a range of programming more varied than that available in any other francophone country.

[*English*]

Furthermore through TV 5 the federal government has been able to ensure that the influence of Canada's francophone culture spreads to the four corners of the earth. TV 5 broadcasts in Europe, Africa, the United States, Latin America and the Caribbean. We anticipate that its signal will soon be picked up in Asia. In all these parts of the world a Canadian traveller staying in a place with the necessary receiving equipment will be able to watch Bernard Derome and numerous other broadcasts produced in Canada.

One cannot speak of Radio–Canada without mentioning its regional presence, particularly outside Quebec where its programming had considerable impact in communities such as my own in St. Boniface which until recently had the impression that mass media were inevitably anglophone. Collective identities in minority communities began to emerge thanks to Radio–Canada.

There is no doubt that the review of the corporation's mandate and the budget cuts the government had to impose will require some realignment. However the need for realignment had become unavoidable because of the 500–channel universe and the information highway.

The reality is that we are going through a period when certainties will be tested, when change will be the only constant, when our creativity will be our chief resource and unfortunately when public funds will continue to be in limited supply.

This does not mean that we are giving up. We must find common solutions to ensure the continued vitality of French language culture and to ensure the relevance of our national institutions based less on the resources allocated to them and more on the imagination we are capable of showing. The committee on heritage has already taken steps in this direction. We must continue our deliberations and come up with innovative solutions.

Radio–Canada will measure up to the challenges. It will be able to fulfil its present mandate as well as any other mandate that it might be given. Its past accomplishments has secured it a promising future.

• (1210)

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Madam Speaker, I welcome the opportunity to speak to this motion, which I will do from a different perspective. The Bloc was extremely critical of the minister's lack of openness this morning because the announcement made by Michèle Fortin may seriously handicap a powerful instrument for the transmission and production of Quebec culture.

But first of all, I would like to respond to members who wondered why we were defending the Canadian Broadcasting Corporation, since it is a federal institution and we want to get out of Canada.

I would like to read a quote from what Pierre Elliott Trudeau said in 1967 in *Le fédéralisme et la société canadienne française*: "One way of offsetting the appeal of separatism is by investing tremendous amounts of time, energy, and money in nationalism, at the federal level. A national image must be

created that will have such an appeal as to make any image of a separatist group unattractive. Resources must be diverted into such things as national flags, anthems, education, arts councils, broadcasting corporations, film boards". This is what Pierre Elliott Trudeau wrote in *Le fédéralisme et la société canadienne française*, HMH, 1967.

We are defending the CBC's French network, which we feel is at risk because of imminent cutbacks, because we are aware that despite the mission Pierre Elliott Trudeau wanted to give the network, Radio–Canada has been a very important vehicle for the transmission and production of Quebec culture, although we could have dispensed with some of the bias involved.

Altogether, it is part of our living heritage. This is an institution that belongs to us, and we want to make sure it will not only continue to exist but will be able to improve the quality of its productions. In fact, Radio–Canada is the depository of a collective resource, a collective instrument that is essential to our culture, and the Minister of Canadian Heritage has no right to trifle with the future of this powerful collective instrument of Quebec culture.

I may recall what was said by Gérald Leblanc on tv—it was not on Radio–Canada—last Sunday. The following gives some idea of the ratings of French television in Quebec compared with those of Canadian tv productions in the rest of Canada: "When the Royal Air Farce, an excellent comedy program, reaches one million viewers out of a potential 20 million, it celebrates and breaks open the champagne. However, every week, Radio–Canada and TVA together regularly reach a viewership of three million or more out of a potential seven million".

• (1215)

He added: "If we were to obey the dictates of the market, Radio–Canada would be affected, cuts would have to be made, but the CBC could not survive". Far be it from me to suggest that we should take away the CBC's means to survive. We are only too aware of the significance culture holds for the future of a people and a nation. We can state forcefully that no people, no nation, with the exception of the United States perhaps, can let the powerful instrument which creates and conveys its culture become hostage to the marketplace.

I add that the CBC is the only broadcaster that has strong Canadian content during peak hours. All other Canadian television networks have a low domestic content, around 20 to 30 per cent during peak hours, which can seriously affect Canadian culture. As for us, we chose this morning to show how important Radio–Canada is to the Quebec culture and how much we want not only to know what the government is planning but also to block its plans to deprive the SRC of its means. We care because the goals of the SRC are intrinsic goals, they are the collective goals it was created to achieve. That is why we cannot afford to let Radio–Canada be deprived of its means.

Mrs. Fortin, to whom I listened with great pleasure, was defending wholeheartedly in her own energetic way the role of this public television network which she compared to public schools. We never say that public schools are not profitable and must be financed in some other way. Public television has an important role to play. At least, it plays an important role in Quebec and it can play that role even better. We think that our colleagues from English Canada could ponder with us ways of strenghtening Canadian culture.

Being a francophone in North America can be difficult since we represent a little more than 2 per cent of the population and we are surrounded, submerged by English language channels. To remain a country not only with a distinct border but also with a distinct national identity, Canada—which does have its own culture, though sometimes it is not easily differentiated from that of the United States—must protect its public television.

I would like to say a few words about culture. If in fact we attach so much importance to public television and to television in general, it is because television is, along with other audio-visual techniques, the main vehicle of culture nowadays. It is not only a vehicle of that culture which exists and which we shall try to define, it is also an extremely important forum for cultural production.

• (1220)

When one realizes the public reached by Radio–Canada and TVA in Quebec, when one realizes the impact popular programs may have on the people, how these programs can strenghten its cultural identity, give rise to debate, question actions, attitudes and values, one realizes how alive our culture is, nurtured of course by our heritage, our history, the arts and all that cultural production embraces, but digested and distributed in another form, vehicled by the media of our times.

In this era of telecommunications, which is still full of surprises, it is a means, the most important means of distribution, development and production of culture.

Figures alone are not enough when we are talking about such an important instrument, which defines what people will think and are thinking and what affects Canadians' current and future desire to live together. This is what nationalism is all about. This is why we say that there are two countries within this country. We keep seeing it—every day. And what we want is sovereignty, because we think it is better for our people.

At the same time, we are aware that Canadian culture as well warrants clearer definition. It too needs to find expression in a world in which it is perhaps more threatened than francophone culture, because it shares a common language with the United States, which is more than a neighbour; it is the prevailing influence of our time. And if, because of this, Canadian minds

are fed American values, images, references, history, action and activities, I would take the liberty of saying that one must draw one's own conclusions and take no delight in the fact that English Canadian public television reaches such a small portion of the population, quite the contrary.

Of course, there are my hon. colleagues beside me who say that culture does need the help of the state. I would challenge them. The state does not create the cultural product, the artist. However, without a way to live, without sufficient means, few artists, artistic endeavours and cultural productions would survive, particularly in today's world. We must remember, here again, that the CBC is in competition with American productions, which have 20 times the resources.

We have chosen to talk about the CBC because our culture, its life and its evolution, depend in part on the continued availability of resources. Just as in the past, during the Renaissance, people needed patrons, the patrons are now being replaced by the state, by states.

• (1225)

No people, no self–respecting nation can afford not to support this great tool which television has become.

It must be said that the audiovisual medium requires a lot of resources. You and I can make video clips, but to produce programs which can compete with other programs coming from all over the world, we need resources. Otherwise, all the talents available to us will either be under–utilized or not used at all.

Culture is what defines a people, a nation. It is its soul. Its way of being. It is not static. It implies a knowledge of the past. It implies the handing down of the cultural production of previous generations. But it also implies a certain intermixing. It implies that each generation has to embark on the creative process using the same basic tools. But, in the long run, it is culture, this way of being, which guarantees that globalization will not reduce all cultures to the one with the most resources. This is what is really at stake in the present situation when we talk about all these numbers.

In 1992, in a fantastic speech he made in Montreal, Boutros Boutros–Ghali said: "The sound globalization of modern life implies the existence of strong cultural identities, since an excessive or ill–conceived globalization could crush various cultures and melt them down into a uniform one, which would spell nothing good for the world".

He added: "Individuals need an intermediary between a universe too large for them and their solitary status, for the mere fact that, at the start, they need a language to understand and decipher the outside world. What they need are practical alliances and a framework of cultural references, to sum it up, a passport to the world". Television is that passport to the world for most young people. That is why it is a national responsibility. This passport contributes the most to the creation of future societies, because it does not act alone.

I digressed a little, but now return to Mr. Boutros Boutros–Ghali's speech. "Nation–states, which transcend the physically closer alliances of family, clans or villages, fill these needs. A nation has a common reason for existing, which is the first step towards the universal, towards a universal civilization. An orderly world is a world of independent nations which are open to each other and respect each other's differences and similarities". This is what I call the fruitful logic of nationalities and universality.

To defend the Société Radio–Canada and the CBC, the Bloc Quebecois says "stop". Culture is the soul of the people, and if culture is not given sufficient means, the growth of these little people, these small states, will be stunted in a world overshadowed by the giant we all know well.

• (1230)

Mr. Yves Rocheleau (Trois–Rivières, BQ): Madam Speaker, first of all, I would like to congratulate my hon. colleague for Mercier on her excellent, and in a large part spontaneous, intervention. It shows how much culture, whether it is Quebec culture or Canadian culture, is dear to her heart and how much she knows about the fundamentals of its development.

I would like my colleague to comment on what I am going to say, because my understanding of the present debate on the future of the CBC reminds me of other debates we have had on the future of Quebec culture and Canadian culture.

Just remember the whole copyright issue which is so fundamental to the development of Canada and Quebec from a cultural point of view. Remember also everything related to the information highway where Quebec, because of its different language in North America, is not recognized, not invited to participate. This is extremely serious. It is also excluded because of the centralizing nature of Canada.

Another example is what happened with Ginn Publishing, where English Canada sacrificed for peanuts a Canadian publisher, simply because we are considering ourselves more and more as vassals of our American neighbour.

This debate on the CBC shows that it is essential to the preservation of the future of English Canada, of the English Canadian culture. As to the Quebec French speaking culture, we are preparing the future so that it will be preserved. I would like my colleague to comment on this subject, that is the American influence on these issues.

Mrs. Lalonde: Madam Speaker, that is in fact the underlying basis of my remarks. We must not think that, in this world where the economy plays such an important role, we cannot afford to

invest in culture. Because culture is the very essence of our identity.

More than that, very concretely, the cultural industry is the main showcase for our cultural talents and products. This industry also needs encouragement.

The fact that Quebec cannot sign international agreements, negotiate its own bilateral contracts or participate in regulatory talks, that it is thus often unable to develop direct expertise, that it cannot address some problems such as copyright matters, and that it cannot continue regional and local production, for example, because it cannot afford it and because the resources come from Ottawa, all contribute to its erosion, if we continue with this comparison.

The French, who are the unchallenged champions of culture, invest heavily in their culture, their heritage, their television, their arts community.

• (1235)

We could say that they know how important this industry is, but they also know how closely it is tied to their place as a middle power in the world. They know that culture is the glue that makes people want to live together. They know that it is extremely important to allocate all the resources and all the energy they can to this industry.

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Madam Speaker, I will preface my comments on the motion before us by the following preliminary remarks because I want to make myself perfectly clear.

First, I have the profound conviction that there is a need in our country for a national public broadcaster. I am convinced that this broadcaster is essential to our cohesion and the development of our culture, as both francophones and anglophones. After listening to a fair number of my colleagues opposite, I am happy to see that they support the position I have always defended. Inasmuch as they continue to support this position I just heard our colleague mention, I am very pleased with their contribution. We are working together to ensure that Radio–Canada remains a large corporation and continues to contribute to the development of the francophone culture in Quebec and elsewhere in Canada.

My second introductory observation concerns the relationship between the government and Radio–Canada. I think that there is no ambiguity there either. There has been much talk about this issue. The government, and the Minister of Canadian Heritage in particular, always made it clear that we respect Radio–Canada's autonomy, as essential to this great institution but also to freedom of press, which we wholeheartedly support.

So, what is the government's involvement? Well, Radio–Canada belongs to all Canadians and the government is responsible to ensure that this public property is managed properly and well run. That responsibility takes a specific form with budgeting, in so far as budgetary appropriations are part of CBC's budget, and I will get back to this, and with appointments to the board of directors and, of course, to the executive level of the corporation.

The government can express opinions, as I just did, on general issues related to CBC's position in the world of communications. We can express such opinions. We state our general policy, so that CBC's managers can develop their plans and their management strategy in compliance with the federal government's vision and main policies.

The third point is that the review and the decisions made concerning CBC are part of a larger initiative, namely the development of what is called the information highway. The information highway will, of course, provide information, but it will also contain numerous and significant cultural elements. There is no ambiguity here. As spokesman of the Canadian government, I keep saying that we hope that Canadian content will be prevalent on that information highway. As I said earlier, and opposition members support that position, it is important that the information highway helps promote Canadian culture, which includes the French–speaking Canadian and Quebec culture.

• (1240)

What should we do now? There are three basic institutions which belong to Canada and which can help create this Canadian content. The largest one of is CBC, of course, but there are also the National Film Board and Telefilm Canada. These agencies are in the sound and picture business and, to be sure, very important decisions will be made this year, in 1995, regarding the creation of sound and pictures by Canadian producers.

Numerous studies commissioned by the Minister of Industry and myself are currently being conducted regarding this issue. There is a reference to the CRTC, an advisory committee on the information highway, as well as several other committees at work. All this will lead us to make fundamental decisions a little later on this year, when the consultation process will have brought together all the elements we need to elaborate our policies, the architecture of the information highway and the traffic regulations for this highway.

I think it is important to say these things, because it is within this context that the CBC and the two other agencies I mentioned must make their contribution. It is only natural to address this issue and to consider the way the CBC will be able to play its part.

This brings me to the decisions announced in the Budget which will especially affect the CBC. There are three of them. Nothing complicated, only three decisions. First, the government will undertake a fundamental review of its support, and the mandates of, the three agencies I mentioned.

Of course, the object of this review is to ensure that these three agencies are in the best position possible to play their roles on the information highway. When I talk about the mandates of these agencies, I use the expression in the large sense. I do not mean only a sentence in a piece of legislation. I think it would be wise, while we are examining all our communications, to review this particular aspect of the mandates. This was the first decision that was announced. I will have the pleasure, very soon, to announce the members of the group that will carry out this review and the very specific terms of their mandate.

The second decision announced in the budget was the transfer of Radio Canada International back to the CBC. This decision was made because it was found that the CBC should again assume the responsibility for this agency. I know this will have repercussions on the budget but the conditions and budgetary aspects of this transfer can be the subject of various discussions between the CBC and the government.

Finally, there is the parliamentary appropriation for the coming fiscal year. This appropriation provides for a 4 per cent reduction in the CBC's base budget as far as the parliamentary appropriation for this fiscal year ending soon is concerned. So, why were so many questions asked, since these decisions are clear?

We were asked why the parliamentary appropriations for a second and third fiscal years were not announced at the same time. The answer is simple. If we are serious with our review of the mandates and our study, it would be wise to wait for the results of this examination and for the recommendations that will follow before deciding on the CBC's budget for the second and third years.

• (1245)

To drive from Ottawa to Montreal, one does not need as much gas as if he or she would be to go to Quebec City. Thus, there is a link between the mandate and the budget, as the CBC's chairman indicated many times publicly. Thus, we answered that question and we will have mandates redefined when preparing for the next budget, for next year's budget.

Another thing we have to take into account is the work of the House heritage committee. This is a review of the CBC and it includes, as indicated by the reference, or it will include, I hope, a review on other possible sources of funding the CBC could have access to. That report is not the only document that mentions possible new funding sources for the CBC.

How could we set future budgets permanently when basic elements of the fiscal situation of the CBC are not yet known?

To conclude, I would like to say that I agree with a view that has been expressed by members on both sides of the House: It is important that radio and television programming by our public and private broadcasters provide the bulk of what is transmitted over our information highway.

A few weeks ago, I was in Brussels for a meeting of the G–7 communications ministers. It turned out that I was the only minister who was also in charge of cultural matters. The message I had was essentially what I just said. We cannot discuss setting up an infrastructure without first discussing the content it will carry.

After my remarks, there was no more talk of a comprehensive information infrastructure; all of the talk was about a new information society. That is very important in my view. I got unanimous support, including from the American delegation, when I said that the content that will be carried over those international information highways should reflect different cultures and languages instead of a standardized content that would not be positive for creative artists around the world.

That will conclude my remarks. We are in the process of developing important policies. I know this is a difficult period. We cannot ignore the present fiscal limitations that everybody understands. We have decided that we should all contribute to bringing down the deficit. We should not fool ourselves: this government has a tough fiscal policy, but that policy is supported by 70 per cent of Canadians. I am pleased to add that all agencies that report through me told me that they understood the fiscal situation of the government and that they were ready to co–operate, so that we can eliminate a deficit that makes it so difficult to govern this country.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Madam Speaker, I want to thank the minister for taking the trouble to come here to get his message across. There are a few questions I would like to raise.

But first, I thought it was interesting that he had a clear itemized message for us. Last year, we spent the year, from the time we were elected until the end of June, sitting two days a week on the Canadian heritage committee and listening to people who came to talk about the electronic highway, to be told that Mr. Manley and Mr. Dupuy, the two ministers, formed a committee that would ask the CRTC to look into the information highway.

• (1250)

Now we are starting all over again. The same people who came before the committee will do the same before the CRTC.

The minister said earlier: "I cannot announce the budget cuts for next year or for the year after". Not according to our sources, which made it very clear in the newspapers and on television that the cuts for next year were already known. He said: "We cannot do that, because I asked a lot of people to look into the matter". Well, that is precisely what the Canadian heritage committee has been keeping itself busy with for the past six months. It has heard the testimony of many people who came and talked about the CBC. And even before our report was released, we already knew this report would be submitted to a

committee of three experts and we knew as well that the decisions had already been made.

This year, $44 million will be cut. If the government cannot announce next year's cuts because it is waiting for the findings of a committee which has yet to be appointed, on what basis did it make its cuts this year? I am not saying that the status quo is what we wanted, financially speaking. Not at all. But the government did not even wait until the committee finished its work or, because it failed to take the longer view, give it its mandate soon enough for the work done by our committee to have an impact on the budget.

We asked whether we should work a little faster so that we could have an impact on the budget. We never got an answer. The sad part is that taxpayers' money had already been invested in the SECOR studies on the situation at Telefilm and the National Film Board. Since that was not satisfactory, another study was ordered. The government thinks everything will be all right, thanks to the information highway. It is like deciding to build a controlled access highway across Canada and getting rid of our other highways. Even with the information highway, we still must keep our other highways.

The government is letting one of those highways—the Canadian Broadcasting Corporation—go to pieces by putting it in a financial situation that is unacceptable at this time, without taking the time to make the right decisions and without taking the time to ask, for instance, whether it is necessary to maintain CBC headquarters, to send the corporation each year to the CRTC, and so forth. Many areas will be affected by cuts. However, when the government announces it will cut so many positions, it will not necessarily be the vice presidents, so that we can keep the people who are involved in production.

How can the minister guarantee that we can do this? Someone will have to administer the $180 million in foregone revenue, the $44 million that has just been cut and the $15 million it will take to manage Radio Canada International. Can we have the assurance that those who lose their jobs will not be the performers, producers and creators? How can the government guarantee it will remove people who are not directly involved in production but are part of a bureaucracy that has to issue cheques in Ottawa to pay people who take part in television broadcasts in Nova Scotia, for instance?

Mr. Dupuy: Let us speak first about the respective roles of the CRTC and of the heritage committee. They do not deal with the same issues, although these issues are related.

The CRTC's terms of reference deal with competition problems arising between the cable industry and telephone companies. These problems cover a series of issues which are industrial, commercial or cultural in nature, but which do not come under the terms of reference of the Canadian Broadcasting Corporation.

• (1255)

Specifically, in view of the importance given by the government to the Canadian Broadcasting Corporation, it was very important not to let a whole discussion on the architecture of the electronic highway take place while ignoring the broadcasters, particularly the biggest of them all.

That is precisely why I wanted a thinking process on the Canadian Broadcasting Corporation which would be open to all parties and to all the people who would decide to testify.

As for the relationship between the reports that the heritage committee will produce and the last budget, of course, it would have been possible for the heritage committee to report very quickly, but I believe that it did what had to be done. It took the time to think about this and it also gave us the time to think. We have targeted a fiscal year, but that is precisely in order to benefit from the advice that the heritage committee and the other advisory organizations will give us.

There is nothing unusual for a government, whether a Liberal one or other, that has always determined in its budget the commitments for the next fiscal year, to continue to do so. This world is not a world of absolute certainty; it is changing. And we are indeed going through a period of huge changes in the field of communications. It would have been irresponsible to say: "We are going to take decisions for the next 15 years", when everything is changing and we have not yet seen the results of this serious work which is being done.

This also brings me to a comment on studies. There have indeed been many studies. We are up to here in studies. But this time, we are not initiating a new study, let there be no confusion about this. We are trying to have people synthesize the data, to help government bring the elements together and prepare some specific recommendations. So we are certainly not trying to delay things, on the contrary, we want to accelerate the process.

We must not forget that by next summer, next fall, we will begin to see the preparation of the next budget. This is exactly what the deadlines will force us to do. By the time the next budget is ready, I hope we will have answers which will be satisfactory for the CBC.

I must say I disapprove of the attitude of the Bloc Quebecois. They are trying to cause uncertainty, precisely in the mind of those they pretend to be protecting. Those who will suffer most will be the craftsmen, the people who will feel distressed by this confusion the Bloc is trying to create, for reasons that are not always clear. I will not go into details. However, I feel we should explain the truth and the process to those who, after all, are at the origin of all productions. That is what we are trying to do and I hope my colleagues will cooperate to ensure that these people, who have always contributed in a remarkable way to the Canadian culture and the Quebec culture, will understand we

want to help them and give them a mandate where they will truly have a role to play.

It is false to say that government is trying to kill the CBC. On the contrary, the government is trying to ensure that the CBC will be the most efficient instrument, the best institution with the best policies, to carry out the new mandate.

[*English*]

Mr. Monte Solberg (Medicine Hat, Ref.): Madam Speaker, the Bloc motion reads:

> That the House condemn the government for the refusal by the Minister of Canadian Heritage to publish the government's decisions concerning funding for the Canadian Broadcasting Corporation over the next three years, thus causing an ominous threat to loom over the CBC's French–language network.

• (1300)

In essence the Bloc is chastising the government for not being accountable on spending decisions. Naturally I agree with that. My party agrees with that. We believe very much in the principle of accountability.

If turnabout really is fair play, and I believe it is, I have some questions for the Bloc. Where does it get off blocking the business of an entire nation on the whole issue of back to work legislation and the railway strike? How accountable is the Bloc being to its own people in its own province of Quebec who are losing pay, jobs, business and markets because their party will not stand up and act for them? Where is its concern for the unemployed now?

I really feel the Bloc is letting people down. It has acted irresponsibly throughout the whole process and has thwarted the democratic will of this place. That is why I find it ironic that it would put forward a motion that would force a degree of accountability on the government.

Let us talk for a moment about accountability and about the motion. The motion is too narrow. The separatist government of Quebec talked about how it would protect minorities in Quebec, but there is no mention of CBC English language services in the motion.

I have to ask why that is. Just how deep rooted is its commitment to minorities in Quebec? Not very, I suggest. I believe all the statements it has made about being fair to minorities is sugar coating. It is a vain attempt to draw in people who are not francophones in Quebec to vote for the Parti Quebecois in the referendum. I believe it is vain.

Let us talk for a moment about why accountability with respect to the CBC is so important. Obviously accountability is important at any time, but it is especially so when the future of the CBC literally hangs in the balance. We have a $550 billion debt and a deficit of about $30 billion. It is an understatement to say that our fiscal situation is extremely serious.

In considering the whole issue we have to ask ourselves whether as parliamentarians we will be accountable and responsible. We have to ask ourselves why we need a CBC in the first place. Do people really want some kind of institution called the CBC, or do they really want interesting programs that deal with issues not dealt with by private broadcasters at this time at a cost that recognizes our fiscal constraints? That is the real question. I will talk more about it in a moment.

Let us talk about the different divisions of the CBC. People who listen are largely happy with what they receive on CBC radio. However, I firmly believe that the CBC's choice of issues to explore betrays a liberal bias and truly lacks balance on some social and political issues. If the CBC were to fix that it would have a larger audience than it has today.

I also believe all kinds of efficiencies could be built into CBC radio that would make it function a lot better than it does today. On the whole, however, relative to some of the other services the CBC provides radio is in relatively good shape.

The real problem is with CBC English language television. I commend a recent article in the Montreal *Gazette* to members of the House. It was by W. Paterson Ferns and is probably the best description of not only some of the problems with the CBC but also some of the solutions. I am mostly addressing English language television when I talk about this matter.

Mr. Ferns made four major points. He said that the CBC should start over, that it should start as if the page were blank, by a commitment to focusing programming. Mr. Ferns described Britain's channel 4 as a model and pointed out that it had a mandate to serve all of the people some of the time. Not all of the people all of the time but just all of the people some of the time, in other words to really sharpen that focus.

The question Mr. Ferns asked explicitly and implicitly in his article was: Why in the world should the CBC be broadcasting American programs? It makes no sense. Those programs flood over the border on cable systems. We do not need the CBC to rebroadcast them. To its credit I believe the president has recognized that it is a crazy idea. Certainly the chairman of the CRTC has talked about it. It is a crazy idea and we should move away from it.

• (1305)

Another question is why we are broadcasting programs the private networks are already carrying. Why is the CBC so heavily involved in sports? Obviously TSN is more than happy and more than prepared to pick up carrying hockey games and is already doing so. Do we really need hockey on the CBC? Why is the CBC bidding to pick up Olympic coverage? Why is it bidding twice as much as CTV was prepared to bid to pick up Olympic coverage? It is a huge issue and at a time of fiscal

constraint it is an important issue. It is something the heritage minister and the leadership of the CBC have to address.

We have to ask ourselves and the CBC has to ask itself what types of valuable programming are not on the menu of private broadcasters right now. I do not think that has been done yet. We see a lot of programming that is currently covered by either the major networks, by the Americans or by the specialty channels. That should be a cue to us that we must move away from it.

Mr. Ferns also talked in his article about the need for thin administration. He pointed out that Britain's channel four limited its administration to 10 per cent of the total budget. It is very difficult to examine the CBC figures because they are just not available. When we look through the annual report of the CBC it is not obvious just how much money is spent on administration and it does beg the question: What is it attempting to hide? Why can we not see those figures?

The motion brought forward by the Bloc asks the right question and it should be asked of all the CBC: Why are spending decisions not being made public? Then the question that flows from that is: Why is the CBC not forthright about how it spends all its money?

The CBC's percentage of administration to budget is unclear, as I pointed out. However we know the CBC has a very old style hierarchy of management. It has several vice–presidents and several senior managers in Ottawa. It has more senior managers at the regional level. There has to be a lot of money spent on administration, given the type of hierarchy.

Mr. Ferns also raised that leadership in a network should be comprised of programmers. I must admit that at first I took issue with that point, being concerned about the fiscal side. However if safeguards are built in there is some sense in the idea.

I point to the private sector and the great success of Moses Znaimer who has brought tremendous success not only to City TV in Toronto but also to MuchMusic and the Bravo channel, one of the new speciality channels that can be found on networks around the country. I believe it is enjoying a measure of success.

Visionaries like Mr. Znaimer are probably better able to anticipate public tastes and better able to see needs than perhaps they are sometimes perceived by the public. That is why Mr. Znaimer has been hugely successful. Perhaps one of the reasons the CBC has not been successful is that it has been too administratively driven in the past. Even with people like Mr. Watson there was so much bureaucracy in the way and such a lot of baggage attached to the CBC that it was very difficult for the programming vision to get down to the field level and to drive the CBC agenda.

There is a lot to be said about what Mr. Ferns suggested with respect to the CBC and other public and private broadcasters around the world. A program maker should lead that institution.

My experience is as a broadcaster who came up on the programming side as opposed to the administration or the sales sides. I have seen many successful private sector operations being driven by people with a good sense of programming, a sense of what people want from programming. From a personal standpoint I think it is really true.

• (1310)

A program producer who heads up an organization may indeed be the best choice as long as the organization is accountable. It has to be accountable not just to a board of directors but to its advertisers, its viewers and taxpayers. This is something that has not happened with the CBC to this point, nor with the government when it comes to not sharing information that is important to taxpayers, namely how their money is spent.

An institution such as the CBC must be accountable to Parliament not in name only but really accountable. There should be an annual review of the CBC by this body in a deep and probing way so that if things are going off track we have immediate recourse: We can jump in and make some changes as appropriate.

Also Mr. Ferns indicated that news and current affairs shows should be bought from a reputable source and all shows should be commissioned from the independent sector. That makes a tremendous amount of sense. He argues that the corporation should not make, that it should buy. The CBC invests a tremendous amount of resources—time, money and manpower—in producing programs when there is a huge creative sector out there that could provide and would compete to provide the CBC with all kinds of programming. It should avail itself of that.

That type of competition would lead to better programming. It would also lead to cheaper programming because people would go the extra mile to get their costs down to win the bid and ultimately get a program on the CBC. That makes sense. Why invest money in bureaucracy, administration, bricks, mortar and equipment when it can obtain programs directly from the makers of programs?

The analogy in the article was that book publishers did not hire authors to sit in a room and produce novels which they then published. Book publishers buy the finished product. It makes all the sense in the world. That is exactly what the CBC should be doing.

In summary, we cannot afford the CBC as it is now. To simply parrot what happens on other networks is a complete waste of money, talent and time. People do not watch the CBC as it is now. Advertisers do not support it. While there are a few popular programs, CBC English language television is generally not held in high esteem.

This impression is only compounded when the CBC and the government shroud themselves in secrecy. Given this veil of secrecy, who among us is not tempted to ask the obvious questions: What does it have to hide? What is it afraid of?

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Madam Speaker, I thank my colleague for his remarks, which I listened to carefully. He mentioned at the start that he was surprised to discover we wanted to talk about television, when we were preventing the trains from running.

I think it is extremely important to remind him once again, —we said it a number of times this morning. It is not really relevant, but, since the subject has been raised—had the government accepted the Bloc's proposals, the bill would have been adopted a while back and the trains would probably have started running by now. So, do not blame us if the trains are not running and no one is looking after the economy.

Looking after culture is in fact looking after the economy. It is not only when the trains are running that the economy exists.

Some hon. members: Hear, hear.

Mrs. Tremblay: He also felt our motion was somewhat limited, because we referred only to the French network. Throughout his speech, my colleague talked only of the CBC. This is perfectly understandable. He knows the CBC better than I ever will, and I know the SRC better than he ever will. Since there are really two peoples, two nations, two cultures, two of everything in this country, and people want to deny this fact, it is not surprising that they find our motion limited when we talk of the French network.

• (1315)

What I think is also important to point out, and I have the figures to back me up, in our concern about the famous cuts at the CBC, is what proportion each of the English and French networks will get. It is also perhaps important here for the people in this House and for everyone watching us on television to know that, for an hour of news, the SRC gets $7,000, while the CBC gets $18,000. For an hour of variety programming, the SRC gets $30,000, the CBC, $141,000. For a drama program, the SRC gets $68,000, and the CBC gets $99,000.

We can therefore readily understand that, with less money to begin with, there will be even less money to produce our programs, if the cuts are made the same way. The problem is that the SRC's programs are popular. The BBM ratings for the SRC are positive. What program on the CBC can claim to have 4 million viewers?

Some hon. members: Not one.

Mrs. Tremblay: Not a single one. The best CBC programs barely reach a figure of 10 or 12 per cent of viewers. In round figures, in very very generous terms, this means some 2 million viewers. We are therefore definitely not talking about the same order of magnitude, other than to say that a lot of people watch television, and if we had the same resources as the CBC, even the anglophones would probably start watching the SRC, because they would find it interesting.

Does my colleague not think that we have reason to worry about the present situation, since we are told that the information highway is the answer which, in a way, is like saying that we will solve the question of the CBC in 20 years? But what about this year or next? It seems logical that we should worry about keeping a general interest television network since, according to statistics given at the heritage committee, there are places in the West, for example, where rural populations can get only one TV network, the CBC. The same is true for some parts of Quebec.

Then would it not make sense to try to find a way to reach that market? I have nothing against helping private enterprise, but should we not also try to maintain a general interest television network for the whole Canadian community, French speaking as well as English speaking? What does he think about that?

[*English*]

Mr. Solberg: Madam Speaker, I appreciate the hon member's question. She talked about several things but I would like to comment on what kind of service should be provided to people in remote areas.

It is a legitimate responsibility of the CBC to provide service in remote areas. I completely accept that. However, there is a larger question and one I posed in my talk which is, does it always need to be the CBC? Is it really important that it be a particular institution, or is it the service itself that is important?

Sometimes that service can be better provided by a private sector broadcaster. When talking about news and current affairs, there is no doubt in my mind that the private sector can and has produced shows which are as good as those on the CBC.

I would argue that people in some of those communities should have the choice of bringing in either a private sector broadcaster or the CBC. It should be ultimately driven by them.

While it is a legitimate role for the CBC, it does beg the bigger question: Is it really the institution we want there, or is it a certain type of programming? That is probably what people

really want. At the end of the day it should be up to them to decide what kind of service they want brought in.

• (1320)

If it is something they cannot get otherwise, then it is something the government should provide for them. That is probably a good use for the CBC northern service. In talking about TV broadcasting, if people in a community would rather have CTV than CBC and it requires building a transmitter, then personally I do not see a problem with bringing that service in instead of CBC.

Mr. Alex Shepherd (Durham, Lib.): Madam Speaker, I have great interest in taking part in this debate today.

It is seemingly unusual that only yesterday I was in the House arguing and defending the budget program of the government. At that time my hon. colleagues in the Bloc were saying: "Cut more. You need to cut more. You have not done enough. The province of Quebec is sitting in a sinking ship and we are not doing enough". Today, they are speaking the reverse argument. "You are doing too much. You are hurting us. Do not do that any more". What is it going to be?

It is clear to most people in Canada that the status quo is not good enough. As we approach the 21st century we have to change. We have to change as a government, as a country and as a people. The status quo which is being defended by the Bloc Quebecois is not satisfactory.

While talking about the status quo, it is interesting to note the problems we are having with our rail industry today. That is part of the same argument in some ways because some of these contractual agreements have matters in them that go back almost a century.

I was surprised to learn that blacksmithing is a job description which is still available in the CN. One has to be a blacksmith to get certain types of jobs. This is the kind of thing the Bloc Quebecois is defending, blacksmithing, as we approach the 21st century. I do not think that is good enough.

I can say that the people of my riding in which General Motors is a major feature are not at all impressed by the ability to manage this economy that the Bloc Quebecois has shown so clearly. We try to manage and people are stopping us from doing that.

We share the North American continent with our tremendously large neighbour to the south. This neighbour has tremendous resources, huge programming and cultural diversity. It is exporting its culture all over the world. Programs come easily across the border. Indeed as we go to better telecommunications devices it is going to be almost impossible to avoid that kind of culture penetrating the North American milieu. That affects our culture, both English and French.

I have always been a supporter of the CBC. I have always believed it is necessary to foster Canadian culture. What we have to do is to foster it in an affordable way.

Clearly the CBC has been a vanguard of supporting culture both in English Canada and French Canada. I note that Canada is an exporter of French programming and clearly therefore, it has been a success. It has been a success not only of the CBC but also of our federal system which has recognized the need to foster these industries, to get them going and let them flourish.

As we approach the 21st century, it is clear we have to change the way we conduct our government and the way we do business. It is clear that governments want to withdraw from direct management of different types of industry, whether they are cultural or direct industries like CN Rail and let others do that for them. It does not mean the government wants to abdicate Canadian culture, far from it. The object of the exercise is to find a better and more efficient way to deliver the same thing.

• (1325)

The CRTC has a mandate which does just that. New licences have just been issued. The basis of that licensing program was to foster and assist Canadian culture.

I remember not too many years ago when the finance department brought in an incentive to support both the French and English Canadian film industry. I was a little pessimistic at first. I am always pessimistic about tax driven investments. However it was very successful both for the French and English people in Canada who developed a movie industry. Once again, Canada was an exporter of French language programming to the world.

We have now slowly moved out of the tax incentives for that. Once we get a child going, it is no different from a family. If we think about it, when our children reach a certain age it is time for them to go out on their own. It is time for them to do their own thing. That is really what we are saying about the CBC.

Even after these cutbacks the CBC will still have funding of $1.4 billion. We can hardly consider that a small amount of money in support of cultural broadcasting in Canada regardless of what language it is in.

We are not saying to the CBC that it has to cut a lot of jobs, which possibly it will. We are saying that it has to redefine where it is going in this country. It has to define the things it can do well and rethink some of the things that perhaps it should not be doing any more.

I had a discussion with some journalists one day. They thought it was unusual that the CBC could have journalists in just about every town in this country whereas other private broadcasters had to rationalize that and make it more efficient. This is what we are asking the CBC to do, to become more efficient so it can be slowly weaned off the public payroll.

The motion very clearly is talking about the concern of the reduction in funding. I ask my colleagues in the Bloc, what would the alternative be? Would the alternative in meeting our deficit targets be to transfer this tax on the poor, the needy, the unemployed? Those are the alternatives. We have to get our deficits in order. That is the commitment we have made to the Canadian people. I can say that the Canadian people are very happy about the leadership we have taken in these areas.

I know there are many new broadcasting ventures. My colleague from the Reform Party mentioned CITY–TV in Toronto which has a tremendous array of new broadcasting programs. In other words it is not necessary to have publicly funded broadcasting companies simply carrying on with this type of production.

The bottom line is that it is necessary. The taxpayers are saying we have to get our economic house in order. The taxpayers are on the hook even after all of this is over for $1.4 billion. Taxpayers want to be able to see what they are getting for that money. In some ways they are getting valued service for that.

Most people in Canada will continue to support cultural funding for broadcasting, but at a significantly reduced level. That is only reasonable. We have to focus on the things which possibly are missing, those things that perhaps need a bit of help right now, but those other areas which can stand on their own, we can let them fly.

In conclusion, it upsets me very much to see that members of the Bloc Quebecois simply want to carry on with the old systems of the past. They do not want to be flexible in seeing how we can change government financing. More important, they do not want to assist their cultural industries from the infancy stage to fruition.

• (1330)

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, I rise today to speak on the motion of the hon. member for Rimouski—Témiscouata. I am a supporter of the CBC, of its domestic and international services, in both official languages.

I was shocked to see that the motion states that an ominous threat looms over the Canadian Broadcasting Corporation and, in particular, the CBC French language network. In no way is the government threatening our public broadcaster. Far from it. The government has acted in a responsible fashion to balance the need of all Canadians to continue to receive high quality radio and television services in both official languages with the requirement to take immediate steps to put its fiscal affairs in order.

In addressing this motion, it would be extremely useful to compare the Canadian broadcasting model with examples of similar efforts in other countries. Canada is not alone in its search to develop answers to the questions facing public broadcasting. All around the world countries and public broadcasters have been grappling with changing environments, changing technology and changing viewer patterns.

The sweeping changes affecting public broadcasting began in the 1980s. That decade was marked by a large increase in new terrestrial, satellite and cable channels. These new channels provided the public with an unprecedented range of options in their viewing choices. In Europe alone the number of terrestrial commercial channels increased from four in 1982 to 58 ten years later in 1992. In the 1990s the global broadcasting community began to come to terms with the arrival of new direct to home broadcast satellites. These new satellites have further explosive growth potential in the development of new television channels.

Let us be clear on one thing today. The world is not sounding the death knell of public broadcasting. Countries around the world are rethinking the role of public broadcasting and are seeking to adapt these broadcasting systems to meet the challenges created by the changing environments. In fact, we see few reasons to believe that the changing broadcasting landscape will mean that public broadcasting will be frozen from our televisions and our radios any time in the near future.

In the United States the organization representing public television stations recently issued a report summarizing its concerns surrounding the role of public broadcasting in the information age. According to the conclusions of this report, public television's strength in the multi–channel universe will derive from its position as an integrated production and distribution network for special interest programming. As in Canada, U.S. public television seeks to serve American audiences through high quality and informative programming which cannot be obtained elsewhere.

Clearly a role will remain for public broadcasting. Defining that specialized role will be the key for policy makers, like members of the House, in countries around the world. The new realities of the multi–channel universe have forced many of the world's public broadcasters, such as the BBC and Japan's NHK, to undertake comprehensive reviews of their activities.

In July 1994 a very comprehensive white paper on broadcasting was completed in Great Britain. This widely discussed document examined the many challenges facing one of the world's most venerable public broadcasters, the BBC. Like the Canadian Broadcasting Corporation, the BBC must confront increasing competition because of new technology and services. Like the CBC, the BBC must attempt to face these new challenges in an era of limited resources.

• (1335)

The British government and the select committee studying the matter both agreed that the BBC in its present form cannot go on forever. But within that recognition for the need for change at

the BBC was a very real affirmation of the vital role of the British public broadcaster.

In the British government's view, a key objective for the BBC will be reflecting the national identity of the U.K., enriching the country's national heritage. Furthermore, the BBC is committed to providing diversity and choice in high quality programming which informs, entertains and educates the public it serves.

Japan has also recognized the worldwide challenges facing public broadcasters as a result of the expansion of broadcasting competition and technologies. The Japanese public broadcaster NHK has undergone an internal discussion concerning its role and responsibility as a public broadcaster. This review culminated in the publication in 1993 of NHK's "Future Framework" document which addressed the new challenges and prospects of broadcasting such as multi–media, multi–channel access, high definition television and satellite broadcasting services.

This report also reaffirmed NHK's commitment to quality journalism and to the provision of first rate information services. Furthermore, the Japanese public broadcaster has adapted to the growing globalization of the broadcasting industry by increasing its involvement in international co–productions and other initiatives.

NHK now has agreements with organizations in over 30 countries. In addition, NHK broke with its tradition of producing its programming almost exclusively in–house and began commissioning work from outside production firms.

Public broadcasters around the world are striving to fulfil their public mandates. In most instances they are fulfilling a unique purpose in their broadcasting environment, a purpose that the private sector will not necessarily ever feel the need to fill. This is because private broadcasters have entirely different goals from those of public broadcasters. Private broadcasters respond not only to the preferences of their audiences but to the expectations of their advertisers.

The Government of Canada will not stand by and let Canada's rich tradition of public broadcasting, in both official languages, stagnate or be overtaken by technological advances or other changes in the audio–visual environment.

The government has taken notice of the international precedence and finds the lessons learned by others highly instructive. But more than just watching how other countries are coping with change, the government has demonstrated its leadership by putting into place a forward looking strategy to find Canadian solutions to the challenges facing our distinctive, dual language public broadcasting system.

This strategy includes a fundamental review of the mandate of the CBC, the National Film Board and Telefilm Canada within the context of the entire Canadian audio–visual sector. It is a review that has been made urgent by technological and market changes. It is a review that has been made necessary because of the fiscal realities facing the country.

The Government of Canada is clearly demonstrating its confidence in the future of public broadcasting by examining the mandate of the CBC in the light of the new realities of the country's communications environment.

As I have stated already, our re–examination of public broadcasting is not unique in the world. It is our firm expectation that our approach to the challenges of public broadcasting will serve as a model and a source of inspiration for other public broadcasters and nations around the world.

I have received many letters and phone calls of support for the CBC from people in my riding and others. For example, Orra Henan, Alex Robertson, Floyd Howlett, Ricky Cherney, members of the Peterborough Symphony Orchestra, the art gallery, the theatre guild, teachers and students have approached me about the CBC. One of them, Alex Robertson, refers to the CBC as the glue which keeps this nation together. I want to say to all of those people that I appreciate their support. I agree with them about the role of public broadcasting in Canada.

• (1340)

I disagree with the view of the Reform Party which says that its first option would be to put the CBC on the chopping block and sell it to the first comer. The Reform Party has no sense of what a nation is, no sense that we are here to run a nation, not a business. I do not think it has a sense of the role of government. The government should be involved in public broadcasting. I disagree with its point of view.

I also disagree with my colleagues from the Bloc. I do not think the CBC, a corporation which even after the proposed changes will still have a budget of well over $1 billion, should be immune to the changes which face the rest of us in society, which face public servants, the private sector and all of us as citizens.

The CBC is an institution which should be supported. Like our other institutions it should be streamlined to deal with the present financial circumstances so we can have a smaller, more effective organization which contains the seeds or the foundations for future public broadcasting and which will be even stronger when its budgetary situation improves.

Therefore, I intend to vote against the member's motion.

[*Translation*]

Mrs. Tremblay: Madam Speaker, I would like to thank my colleague for taking the trouble today to speak on the motion I presented this morning. I appreciate it very much.

I would like to ask him a question. You may have heard the numbers I gave earlier, illustrating the funding imbalance between the CBC and Radio–Canada. I will repeat them for the benefit of new viewers and listeners: for an hour of news, the SRC gets $7,000, while the CBC gets $18,000; for an hour of variety programming, the SRC gets $30,000, the CBC, $141,000; for drama, the SRC gets $68,000, and the CBC, $99,000.

Given the success of French TV programs across the board—for the audience to "La Petite Vie" to reach four million, some English speaking viewers must be secretly looking at it, otherwise it would be extremely difficult to find four million francophones who would feel like looking at the same program at the same time—would it not amount to penalizing SRC for its success to arbitrarily apply the same cuts to the French and English networks?

[*English*]

Mr. Adams: Madam Speaker, as the member knows, I have followed the debate as well as anyone else here today. When I spoke earlier I stressed the fact—as I will try to do in my remarks now—that I strongly support the CBC, the SRC and its services in both languages. I support that across the country, as I mentioned this morning.

I support the French language service in the north. I support it in the rural areas. I support the English language service in Quebec. I support and I enjoy the fact that the international radio service, Radio–Canada International, is distinct in the fact that we reach out to fellow Canadians when they are abroad and to other people in both official languages. I greatly support the existence of the services in both languages.

To answer her question, I deliberately used the word streamlining rather than downsizing. This really means that we are. We inherited a government which because of debt is functioning at two–thirds of its effective capacity because one–third of our money is spent on interest. We inherited that. I am not pointing the finger or laying blame. That is a fact.

In order to get rid of the debt we undertake a dangerous but very necessary exercise. We have to make the government which is already functioning at two–thirds capacity even smaller in order to get rid of the debt so we can come back as a fully effective national government. I believe that very strongly. All the cuts we make have to be such that they streamline what is left so that in every ministry we leave the seeds for a future ministry which could be more powerful. In every program we leave the seeds, the foundations for a 100 per cent stronger program in the future.

• (1345)

To answer the question about the CBC, we as a government have made very different cuts in all our ministries. We cut one ministry by 55 per cent. One ministry is growing by a small percentage and in the all the others we have very carefully decided what the cuts should be. That is streamlining.

When we get inside the ministries or inside the programs, I do not believe the House can do it. I believe we have to tell our ministries that with the budget we have given, they should do the same.

My answer to the member's question is the CBC should manage its own affairs and determine itself where the cuts should be made.

[*Translation*]

Mr. Louis Plamondon (Richelieu, BQ): Madam Speaker, I found it strange to hear the speaker before me say that he is for the CBC and the Société Radio–Canada. He says he is for them, yet he would cut their budgets. This is like a mute person saying to a deaf person: "Watch out, I think a blind person is watching us". This is the kind of thing that the Liberals are saying today.

The issue is more complicated than that, when we reflect on the extremely important motion which the hon. member for Rimouski—Témiscouata tabled regarding the corporation. In fact, the current Liberal Party is behaving exactly as the party always has. That is, the party accedes to power using slogans which are tossed out completely once in office.

Let us quickly touch on the 1970s. One of Trudeau's weapons in his election campaign against Stanfield was the promise that he would never control prices and salaries. Six months after being elected, Prime Minister Trudeau announced price and salary controls. This is the doublespeak party.

A little later, along comes the election of the 1980s, which toppled the Clark government. We remember. They said that they would never raise gas prices. Six months after the election, gas prices were up 65 cents.

The Liberals made three big commitments during the election campaign. One was to reduce the deficit. After the election, the deficit had grown from $13 billion to $38 billion. They also said they would reduce unemployment. One year after the election, there were 1,5 million unemployed, when there were 800,000 before it. The party which says one thing and does another.

They said that they would clamp down on government spending. Within one year of the election, expenditures had risen from $85 million to $110 million.

What about the referendum in the beginning of the 1980s, on May 20. Keep in mind that they said that they were committed to meeting Quebec's traditional aspirations, and that they were willing to risk their seats. Two years later, Quebec was stabbed in the back. Who held the knife? The current leader of the Liberal Party, who has always been behind the post–election changes in tune.

During the referendum, they warned us that the dollar, which was then worth about $1.03 American, would tumble to 80 cents. They published small dollars which had an 80 cent value and a drawing of Bérubé, a Quebec minister at the time. The so–called mighty dollar. But, what happened under the Trudeau government two years later? The dollar fell to 69 cents. With the Liberals, post–election facts always tell a completely different story than pre–election promises.

They also talked about unemployment and about a deficit that they would get under control. They threw all of it, everything they promised us so that we would say yes in the referendum, out the window and said they did not give a darn. Then, they proceeded to do the opposite. That is typical of the Liberals.

Now reconsider the 1993 election. What did they promise in their red book? What did they promise during the election campaign? Think about the free trade issue. They were vehemently against it.

• (1350)

One month after the election, our friend the Prime Minister rolled over and made even greater concessions in signing the free–trade treaty in Ottawa. That is an example of the Liberals' double talk.

They used to stand against patronage and loudly denounce the Conservative Party's political appointments. However, after the election, they had to reward their friends. They had to prove Senator Rizzuto right. What did they do? For example, they gave Michelle Tisseyre, a Liberal candidate who was defeated in a Quebec riding, a nice little six month contract worth $49,000 with the Privy Council. A little private contract equivalent to a $98,000 annual salary. They made Camille Samson responsible for political appointments. They appointed Jacques Saada to a $100,000 a year position with CIDA. What did the rat pack, those Liberals who used to denounce patronage, do while their party was busy rewarding its friends?

Whatever happened to the hon. member for Glengarry—Prescott—Russell? As was said in a newspaper, the lion has turned into a mouse. He is now applauding and supporting these political appointments. He applauded when Mr. Dion, a so–called constitutional expert, was quietly given a $10,000 contract with the Privy Council. The only reason why we know about this is that a journalist managed to dig it up. Otherwise, we never would have known. Mr. Dion was used to objectively defend federalism on public affairs programs, while in fact he was only a salaried employee of the Prime Minister's Office, paid through the Privy Council.

Whatever happened to the rat pack? Where are they now? The new Liberal mice have remained silent. The language changed after the election. They used to talk about unemployment. The Liberal Party critic "rent his clothes" in protest against the Valcourt cuts. Ah! In the first budget tabled a few months after the election, the UI reform proposed by the current Minister of Finance called for ten times more cuts than under former Minister Valcourt, but the hon. members, including the rat pack, who used to shout their disapproval in this House, kept their mouths shut.

What could be said about our defenders of the farming community? What did the hon. member for Glengarry—Prescott—Russell used to say when defending the farmers in his riding? That he would never accept cuts. Today, he finds it normal when a budget cuts subsidies and guaranteed income by 30 per cent each. He finds it normal. They said before the election that they would defend the public service. What did they do less than a year after the election? They cut 45,000 jobs. This is what the Liberals call normal and they are happy. Such is the Liberal Party. It makes two kinds of speeches: one during the election campaign and another one after.

The same is true when it comes to job creation. The Liberals campaigned by promising jobs, but there is no mention of job creation initiatives in the Minister of Finance's budget. The Liberals also claimed that they were the protectors of French culture outside Quebec. They promised to do everything possible. Now, these same Liberals remain silent when their government reduces by five per cent the operating budget of French–speaking and Acadian associations outside Quebec.

Where are the French–speaking Liberal members who were going to speak up for francophones within their party, so as to ensure that the French fact remains a reality in Canada? Where is the member for Restigouche—Chaleur? The member for Carleton—Gloucester? Why will they not speak up? Why do they remain silent? Where is the member for Nickel Belt? The member for Glengarry—Prescott—Russell? The member for Cochrane—Superior? The member for St. Boniface? The member for Cape Breton? The member for Madawaska—Victoria? The member for Beauséjour? The member for Timiskaming—French River? Where are they? What are they saying now that the budget is reduced by five per cent? What about their election promises? Two speeches: one before the election and another one after.

• (1355)

Let us now look at the cultural sector, where the situation is even worse. Take the issue of copyright and the legislation imposed by the Liberals a few months ago. What did the Liberal Party say to the Canada Council? The official commitment made by the Liberals to the Canada Council regarding copyrights was that they would make it a priority to review the Copyright Act, since they understand the importance of copyright. They said that they would reorganize the administrative structure and review the decision made by the Conservatives to split this jurisdiction between two departments. The Liberals made this commitment and then, all of a sudden, they came up with a Copyright Act which was exactly like the Campbell legislation. Again, one speech before the election and another one after.

Then they addressed the cultural issue. What did they have to say about the Canadian Conference of the Arts? What commitment did they make? To representatives of the Canadian Conference of the Arts who asked them: "Does your party recognize the significance of our national cultural institutions, like the CBC, the Canada Council, and so on, and does it guarantee their survival?", the Liberal Party of Canada stated that the Conservatives, by cutting the budget of such national institutions as the Canadian Broadcasting Corporation, the Canada Council, the National Film Board, and Telefilm Canada, really did hurt these agencies and show that they did not care a lot about our cultural development. A Liberal government, they said, would be keen to provide a stable multi–year budget to our national institutions. Again, we have two languages, one during the election campaign and something completely different once the Liberals were elected and in a position to govern. Two languages from the forked tongue Liberals.

Mr. Speaker, I see that you are indicating that I must stop for now and resume after the question period.

The Speaker: Dear colleague, you will be able to resume after question period. It being 2 p.m., pursuant to Standing Order 30(5), the House will now proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

RACIAL DISCRIMINATION

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, March 31 is the International Day for the Elimination of Racial Discrimination, a day that challenges all people and their governments to take a stand against racism and racial discrimination.

[*Translation*]

In a pluralistic society such as ours, racism is one of the most destructive forces preventing people of all origins from sharing equally in the country's prosperity.

Canada is a country built on diversity. Young adolescents in my riding have understood this message clearly, and this is why I would like to draw attention to their efforts to promote cross–cultural dynamics. I am speaking of the Multi Media group, which, next Saturday, will present original works, such as poems, drawings, choreographies, photographs and songs reflecting their hope of living in a racism free world.

[*English*]

Whether we are going to live with each other in compassionate understanding and mutual harmony and then in collective prosperity is a matter that will be decided in the future by our actions today.

I urge all members of the House to join with me in carrying this message to the people of Canada.

* * *

[*Translation*]

PRESIDENT OF CANADIAN NATIONAL

Mr. Réjean Lefebvre (Champlain, BQ): The president of Canadian National, Mr. Paul Tellier, said on television this morning that the working conditions enjoyed by CN employees were too generous for the economic context of the 1990s. Mr. Tellier's attitude clearly indicates the bad faith of management in this dispute.

I find astounding that Mr. Tellier would make such a statement, since he amply benefits from Canadian National's generosity. With a salary of $345,000 and an annual allowance of $51,752, and not forgetting an interest free loan of $300,000, Mr. Tellier is in fact the best paid public servant in the entire government machine.

This gentleman is in no position to be talking about the state's so called generosity toward its employees. Rather than make statements on television, he should do what he is paid to do and negotiate in good faith with his employees in order to reach a quick solution to the dispute that is affecting the entire Canadian economy.

* * *

[*English*]

RWANDA

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, after the genocide of last year when over one million people were murdered there exist half a million orphans inside Rwanda and 1.2 million refugees in camps in Zaire and Tanzania.

Of the $22 million which Canada has already given, none has entered Rwanda because of conditions placed by donor countries that no humanitarian aid enter Rwanda until all the ref-

ugees return. However, they cannot return because there is no food in the country. Furthermore, the refugees in the camps are under the boot of armed thugs of the defeated regime. They use aid as leverage to control these helpless refugees to retrain them for another war.

The government in Kigali is equitable and broad based, made up of both Hutus and Tutsis. However, they are receiving no help whatsoever to get up on their feet and produce a peaceful front to those outside the country who would like to restart the carnage.

I implore the government to convince the international community to help the government in Rwanda. To not do this makes a mockery of our justice and lays the groundwork for another genocide.

* * *

[*Translation*]

RAIL TRANSPORT

Mr. Gilles Bernier (Beauce, Ind.): Mr. Speaker, everyone in Canada is seriously affected by the rail strike. It has already taken its toll on the country's economy, with disastrous repercussions. Production losses in many sectors have been brought to our attention.

It is never desirable for the government to force people back to work with special legislation, but in this case, this exceptional measure is warranted. Let us hope that the major changes which are necessary can be made to rail transportation in a way that helps management reach all of its goals while helping unions protect workers' rights as much as possible.

The government should also update the Labour Code and propose mechanisms which ensure that essential services will always be provided while leaving room for management and workers to work out their differences.

It is certainly possible to negotiate in good faith after back to work legislation, and I encourage the government to introduce its bill as soon as possible.

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[*English*]

RACIAL DISCRIMINATION

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, last night in Winnipeg, on the eve of the International Day for the Elimination of Racial Discrimination, I attended the 20th annual media human rights awards sponsored by B'Nai Brith Canada. The evening highlighted the vigilant role the media plays in protecting human rights.

Earlier today the 1994 annual report of the Canadian Human Rights Commission was tabled in the House. It states: "However diverse our species may be, all human beings remain worthy of respect".

The issue of human rights is about the integrity of any one person which, if violated, destroys the soul of any nation and the very essence of our humanity. Racial discrimination violates human rights.

Therefore on this day we must renew our national resolve to uphold human rights and eliminate all forms of racial discrimination, thereby ensuring human dignity and peace among all Canadians.

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LEARNING DISABILITIES

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, as this is learning disabilities month, I would like to acknowledge the thousands of dedicated Canadian teachers and health care workers who devote themselves to improving the lives of those who face the challenge of a learning disability on a daily basis.

From infancy to old age learning disabilities affect Canadians of all ages in a wide variety of ways. Disabilities range from minor inconveniences to very serious physical, psychological and emotional limitations which must be managed if the affected persons are to maximize their potential and lead full, active and rewarding lives.

Today I salute all Canadians who struggle courageously with any form of learning disability. We thank those who so valiantly assist them in their fight, including my own wife, Evelyn.

* * *

ERIC WINKLER

Mr. Paul Steckle (Huron—Bruce, Lib.): Mr. Speaker, today we put aside party differences to remember the late Eric Winkler.

Eric Winkler served at all three levels of government during his 29–year political career.

He served as mayor of his hometown in Hanover, he was a cabinet minister at Queen's Park and chief whip for the federal Tories when the late John Diefenbaker held power.

During World War II he served in the bomber command of the Royal Canadian Air Force where he was shot down and held as a prisoner of war from 1942 to 1945.

In 1957 he ran federally and was elected as the MP for Grey—Bruce, where he was re–elected four times.

In 1967 he left Ottawa and was elected the provincial member for the Grey riding, a position he held until his defeat in 1975. During his time at Queen's Park he became minister of revenue under Bill Davis in 1971.

In the 1980s he served as a member of the Ontario Racing Commission.

I extend on behalf of all my colleagues our deepest sympathy to his wife Frances, his children Mark, Tim, Jane and Mary, and his six grandchildren.

Eric Winkler served this country with pride and dignity and he will always be remembered as a great Canadian. May he rest in peace.

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• (1405)

[*Translation*]

BURUNDI

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, last week, the Minister of Foreign Affairs said that he too was concerned, like the official opposition, about the unstable situation in Burundi, and he stated the following: "It is sad that the ethnic conflicts which occurred in Rwanda and ended in terrible bloodbaths could now surface in a neighbouring country and trigger a similar tragedy".

However, Canada's honourary consul in Bujumbura said today on the CBC that he was not worried and that there was no comparison between Rwanda and Burundi, since the ethnic breakdown of the population is totally different.

We must ask ourselves whether this analysis contradicts the minister's and whether it calls into question Canada's capacity to speak with one unified voice and to really promote preventative diplomacy.

* * *

[*English*]

ALBERTA

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I rise in the House today to comment on a remarkable story of growth.

The province of which I speak surged ahead of all other provinces in 1993 and its real GDP rose 5.1 percent, more than double the national average of 2.2 per cent. Both international and interprovincial exports rose and record crop and livestock production lifted farm incomes substantially. Labour income also rose markedly, accompanied by a significant jump in consumer spending.

How did this happen? Was large scale government intervention in the economy the cause of this excellent growth rate? No, it was not.

The growth that has occurred in Alberta, a province which has cut its spending by nearly 20 per cent in the last two years, is the result I am talking about.

To all of the McCrakens, the Whites, the Hargroves and the Axworthys of the world, if you want growth that benefits all citizens in Canada, do not increase government spending, cut it.

It is time the Alberta advantage became the Canadian advantage.

* * *

RAIL STRIKE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, the present railway strike has already had a severe impact on many manufacturers and producers all across the country.

In my province of New Brunswick there are many lumber mills dependent on rail. As well, our ports have been greatly affected as they also depend on the rail lines.

I ask the House to allow legislation to be passed with unanimous consent which will quickly put an end to this labour dispute. I also ask the government to undertake a consultative process between labour and management that would result in a settlement that is fair and equitable while at the same time ensuring CN and CP are not at a disadvantage compared with their transportation competitors in the U.S.

I recommend to the government that a human resources sector consultative study be established for the Canadian railway sector. This would allow both management and labour to jointly study the changing business environment and the challenges facing the railway industry in Canada now and to the year 2000.

* * *

RAIL STRIKE

Ms. Mary Clancy (Halifax, Lib.): Mr. Speaker, the railroad is the great symbol of Canadian unity. It provides commercial and personal access among all Canadians.

In spite of our great modern steps forward in the air, the progress of the railroad and our nation are inextricably intertwined.

Halifax needs the railroad. The Atlantic region needs the railroad. Ontario and the west need the railroad and Quebec also needs the railroad.

I call on all members of the House to remember that we represent all Canadians and get those trains running again.

* * *

RAIL STRIKE

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, it is time to end this national rail strike which is crippling our economy. It is estimated that between $3 billion and $5 billion is lost from the Canadian economy in a single week by not getting our products to market.

National Gypsum, a company near Truro, produces 14,000 tonnes of gypsum a day which goes by rail, two trains a day, 7,000 tonnes a train, to the port of Halifax. From there it goes by

ship to the U.S. and to Quebec when the St. Lawrence Seaway is open.

National Gypsum is loading a ship at this moment, only partially and with great delay and extra costs because it does not have enough gypsum at the dockside. This company will have to lay off more than 100 men by week's end if the trains are not moving. The same may be said of companies throughout Nova Scotia as well as companies in Quebec and every corner of the country.

This is one case where a day really makes a difference. I urge the opposition and all members of the House to co–operate and end the railway strike.

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• (1410)

RAIL STRIKE

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, I am extremely disappointed with the events yesterday wherein the Bloc, supported by the New Democratic Party, refused to allow the House to bring an end to the economic chaos that has enveloped our country due to the rail strike in progress.

What is frustrating about this is there is no honourable basis for the actions of the Bloc party. It is simply sticking to its agenda of separation by allowing the Canadian economy to take a beating. Bloc members will not lose any sleep over that. They might see it as helping their battered agenda.

As for the NDP members, they continue to close their eyes to the real issues, the needs of farmers, manufacturers and many others negatively affected across Canada.

What does the premier of Saskatchewan say about their actions? Does his NDP government support what they are doing to the economy?

We have had a chance to act together for the good of our country and the Bloc and the NDP let us down for an alternate selfish agenda.

My constituents, my government and I are extremely disappointed.

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[*Translation*]

QUEBEC SOVEREIGNTY

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, we learned today that a French speaking group in Ontario, concerned about social justice, denounced the position taken by the Fédération des communautés francophones et acadienne on the sovereignty of Quebec. The federation urged Quebecers to vote no in the referendum, something that this Franco–Ontarian group strongly regrets.

Members of the Bloc Quebecois reaffirm, like this group, that Quebecers have a sacred right to choose freely their own future. Members of the Bloc Quebecois also believe that links between francophones outside Quebec and within Quebec should be maintained despite differences we may have occasionally.

We cannot deny that francophones outside Quebec have had to fight long and hard for their rights, their existence and their development. The fight of Quebecers to assume full responsibility for their future is just as important.

* * *

RAIL TRANSPORT

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, the Bloc Quebecois pretends to be defending the interests of Quebecers, but is opposed to ending the railway strike, thereby adding to the seriousness of the situation brought about by the failure of the Liberals.

Last week, the Reform Party asked the government to act in order to avoid such a crisis. As usual, it acted too late. A lengthy strike will have only negative economic consequences for all Canadians, including Quebecers.

Saturday, 1,000 people were left standing on VIA Rail platforms in Montreal. Canadian Pacific is losing about a million dollars a day.

The Reform Party supports an end to the strike and if the Bloc is sincere about protecting Quebec interests it should agree to it right now.

* * *

[*English*]

RAIL STRIKE

Mr. Ivan Grose (Oshawa, Lib.): Mr. Speaker, I will address the national transportation stoppage, not exactly a unique idea today.

In my constituency 14,000 General Motors union workers will be idle soon. I do not want to speak only on their behalf, as I feel I represent not only the people who specifically elected me but also the interests of all my fellow Canadians.

My union constituents will not suffer due to their hard won union contract. However, we must realize that their continuing benefits while they are not producing diminishes their sub–fund and also draws on the UIC fund. This is a cost which must be borne by all Canadians through higher prices and increased taxes.

We also must consider the workers in supplier plants who do not have the good contracts auto workers enjoy.

In short, this transportation tie–up transcends the interests of any group, province or party. All Canadians deserve relief from this problem and at this time that can only be provided by people of courage in the House.

[*Translation*]

RAIL TRANSPORT

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, yesterday and again today, the Bloc Quebecois refused to co–operate with our government in order to quickly legislate rail workers back to work.

The official opposition does not seem to understand the scope of the negative impact of this work stoppage on the Canadian and Quebec economy. Allow me to quote the Quebec transport minister who recently said: "There is nothing quaint about trains. Their role is critical for the economy and the industry".

• (1415)

I will also quote its colleague for Beauport—Montmorency—Orléans who was recently pleading for the survival of rail services in these terms: "We cannot afford to lose the railroad. It would only weaken our economy further".

I urge the Bloc Quebecois to abandon partisan politics and to support the government's initiative without delay.

ORAL QUESTION PERIOD

[*Translation*]

RAIL TRANSPORT

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, Commissioner Hope's report on labour relations in the rail transport sector points out the federal government's troubling behaviour during the negotiations leading to the current impasse. Mr. Hope concludes that the government was guilty of interfering in this dispute by systematically supporting the employers' position.

Does the Minister of Transport admit that the federal government's partisan pro–management attitude during the talks is responsible for the failure of negotiations and for the current dispute?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I think that solving the problem in Canada's rail system is in everyone's interest. We much appreciated the fact that CAW president, Mr. Hargrove himself, said that special legislation was the best approach.

Some people understand full well that Canada's rail system must operate so that materials and products like those of Ford, GM and Chrysler can be moved. I have no idea with whom the Leader of the Opposition is speaking because all those with whom we have spoken, without exception, told us that, after 18 months of talks, the time has come to find a solution allowing the Canadian economy to continue to grow.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, although the minister says that Mr. Hargrove supports the government's position and the bill, the CAW president does not want the bill to apply to his own members. What kind of support is that? Let the law apply to the others, but not to his union.

How dare the minister defend his government's role in these talks when Commissioner Hope stated, and I quote:

[*English*]

"The controversial and provocative aspects of the employers' demands are found in the partisan role played by the government in supporting the position of the railways".

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, every Canadian recognizes that the Government of Canada has a responsibility to maintain a transportation system that is viable, that is competitive, that is affordable.

There is no doubt that over a long period of time every effort was made by the unions and by the employers to try to find a solution to this problem. They have not been able to succeed.

We regret very much that companies, farmers, people across the country are faced with a situation that is very unfortunate, very difficult to overcome.

All I ask the Leader of the Opposition to do is to listen to what Canadians are saying, listen to what Quebecers are saying, and make sure that we can get the railroads back in operation so that we can find a solution to the problem that has escaped the negotiators on both sides of the table for 18 months.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, the Hope report clearly states that the real responsibility for the current labour dispute lies with the federal government.

Given the current deadlock and its serious consequences, will the Prime Minister agree to set aside House rules and pass this afternoon a back–to–work law imposing a 60 day mediation period between the parties without the right to strike or lockout employees, so that a negotiated settlement can be reached?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I thank the hon. member for his offer. I think that the best solution is to pass the legislation immediately. Otherwise, if we wait 60 days, we will end up with the same problem. We will have lost a whole week, and will still end up with the same problem in 60 days.

• (1420)

I think that public opinion in Canada at this time is clearly that these problems must be resolved quickly. I have received telegrams from Quebec aluminum plants, for example, some of which are located in the riding represented by the Leader of the Opposition, which have been forced to cut production. It is the same thing for Kruger Inc. in the Mauricie region and for the

lumber industry in the northern part of my riding, in Parent, and so on.

That is why we decided that, under the circumstances, the quickest way—and I give the hon. member the opportunity to co–operate by withdrawing his objection so that the bill can be passed this afternoon.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the Prime Minister was just offered in good faith by the official opposition an honourable way to settle the rail dispute once and for all.

How can the Prime Minister hide behind his trigger–happy minister's proposal? How can he hide behind this proposal and reject the official opposition's offer to settle the dispute this afternoon to the satisfaction of all interested parties, in compliance with work rules and without affecting workers' rights?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I can understand the frustration of the opposition, which is trying to make up for the mistake it made yesterday. This government's priority is job creation. We must ensure that there is a rail transportation system to deliver the goods produced by Canadian workers to the markets, so that we can have more jobs in Canada, not fewer because of a strike that is against national interest.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, must the Prime Minister be reminded that our proposal has been on the table since yesterday and that it is a clear proposal? If he did not understand the proposal, that is his problem.

Some hon. members: Hear, hear.

Mr. Gauthier: It is now clear that the only ones to blame for the rail dispute dragging on are the Prime Minister and his government.

I have a question for the Prime Minister. Can he tell us frankly if he is being totally honest when he says he wants the matter settled—

Some hon. members: Oh, oh.

The Speaker: Order, please. Dear colleagues, the honesty of the members of this House is never to be questioned. I would therefore like the hon. member to withdraw his remark.

Mr. Gauthier: No problem, Mr. Speaker. You understood that I regard the Prime Minister as an honest man. No problem there. Being the honest man that he is—

Mr. Bouchard: We just wanted to remind the House.

Mr. Gauthier: —as I wanted to point out—can the Prime Minister tell us why the government has suddenly turned its back on mediation, which was accepted as an appropriate solution in the dispute affecting the port of Montreal? What is really keeping the Prime Minister today from accepting our proposal and settling the rail dispute this afternoon?

[*English*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, all the means available to the government had been used earlier to try to settle this conflict amicably and now we are confronted with a national strike of all the railways in Canada. The government had to face up to its responsibilities and present a bill to settle the matter.

I realize the press is creating the impression that it is only the Bloc Quebecois, but the NDP opposed unanimous consent too. Western farmers know that we are thinking of their best interests in settling this strike rapidly.

* * *

THE ECONOMY

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, on Wednesday, Department of Finance officials will be meeting with Moody's to try to persuade them not to downgrade Canada's AAA credit rating. It is widely believed that what Moody's wants to know is the timetable and the plan for bringing the federal deficit to zero, something that was not contained in the finance minister's budget.

• (1425)

My question is for the finance minister. What will his officials be telling representatives of Moody's?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, we have made it very clear to Canadians and to the investment community that our goal is to balance the books. We intend to get there as quickly as possible.

The best way to do this is to have a series of short term targets. That will allow us to hit our targets as we have done for the first time in over a decade.

At the same time, contrary to the doom and gloom on the other side, we shall be pointing out to Moody's that this country has one of the best productivity records in the world, that inflation is very low, that we are creating jobs at an unparalleled pace. In fact, we will be pointing out to them that Canada has the best growth record of any country of the G–7.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, to balance the books as the minister says, he will have to reduce federal spending by $24 billion.

There is no indication in the budget of how that is going to be done or when it is going to be done. In my discussions with lenders and investors last week the one question they all had was when and how is the federal government going to eliminate the deficit and not just reduce it.

I ask the Minister of Finance this question. When and how does the Canadian government plan to eliminate the federal deficit? Will he tell Canadians and Parliament what he is being asked to tell Moody's and investors? When and how?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I have made it very clear that we intend to eliminate the deficit. I have also made it very clear that the best way to do that is to set a series of short term targets, not to allow the decision to be postponed by long term targets.

Surely to heaven the leader of the third party ought to know, having looked at what the Tories did for 10 years, that federal long term targets or targets such as those placed in his own budget based on faulty assumptions and false input, simply will not do the job. We are far more interested in results, not in incredible projections.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the markets are not asking for short term targets. They are asking a simple question. When and how will the minister eliminate the deficit and not just reduce it?

Given the uncertainty in the financial markets, the government should stop being coy and plainly tell the House when and how it plans to eliminate the deficit. If there is not a plan then the minister should tell us and we will help him develop one.

My question is for the Prime Minister. Is there or is there not a government plan and a timetable to eliminate the deficit? If there is will he tell his finance minister to disclose that to the Canadian people and not just to Wall Street?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the international financial community has made it very clear to us that what it wants is results.

It does not want a whole series of projections. It has had it with projections. What it wants is results and that is what it has received from the government.

I would ask a question of the leader of the third party. When he talks about the uncertainty in international markets he is very sincere. Does he really think that he helps his fellow countrymen and women when he goes outside the country's borders and casts doubt on the quality of the budget or the financial projections?

[*Translation*]

HUMAN RIGHTS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, in its report tabled today, the Canadian Human Rights Commission denounces the government's inability to amend the Canadian Human Rights Act so as to prohibit discrimination based on sexual orientation. In its report, the commission calls this is a fundamental abdication of our responsibilities regarding human rights.

Considering that eight Canadian provinces out of ten already prohibit discrimination based on sexual orientation and that the courts have confirmed that such discrimination was not compatible with the Canadian charter of rights and freedoms, I ask the Prime Minister: why does he refuse to act immediately, since he has made a commitment to Canadians and Quebecers?

• (1430)

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the change to the human rights legislation to which the hon. member has referred is only one of many changes this government contemplates to the act, which is now almost 20 years old.

The report of the human rights chief commissioner quite properly pointed out that this is unfinished business. Let me emphasize to the House, as I have done on other occasions, that the government is committed to this change. It is committed to modernizing the statute and improving it. It is a commitment we will fulfil.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, does the Prime Minister not realize that by keeping quiet and postponing his decision from month to month, he is showing his inability to silence the dissensions within his caucus and he is also indicating to the public that, as far as he is concerned, the respect of human rights and freedoms is far from being a priority?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, we have made plain that our commitment to the changes in the Canadian Human Rights Act is a matter of government policy. These are questions in which we believe strongly. These are commitments we will fulfil.

LABOUR

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, yesterday, the government and the Bloc party teamed up to defeat a Reform Party bill that would have alleviated the problems we presently have in the labour front.

When can this government bring forth legislation that will put an end to this sort of thing once and for all for the sake of the producers and farmers in this country?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, there is currently in Canada a major crisis, and we are aware of if. This crisis has an impact on the economy across the country, and we are taking action. We tabled a bill in this House yesterday.

I want to thank Reform Party members for supporting this legislation, but the fact is that the Bloc Quebecois and the NDP are not helping us.

[*English*]

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, I thank the minister, but perhaps she missed the question. The question was: When can Canadians expect to see legislation that will deal with this situation in the long term? The back to work legislation has nothing to do with the long term.

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, I understood the question very well. What I said is that we have to solve a crisis in the short term. Once that is done, we can look at a long term solution, but we have to take action regarding the current situation.

* * *

ETHICS

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, yesterday the Minister of Canadian Heritage proudly announced that the chairman of the National Capital Commission is free to use his leisure time as he pleases, including participating in partisan activities in order to raise funds for the Quebec Liberal Party. The minister said that Mr. Beaudry would of course have made sure that his activities were compatible with his duties.

Are we to understand from the minister's comments that the participation of senior officials in partisan, political activities at the provincial level is considered consistent with the government's ethics rules?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, there is no Canadian statute or regulation preventing public servants from taking an interest in political matters in their leisure time. I think that no one should be more aware of this than the opposition members from the Bloc, who recruited public servants to help them sell the referendum.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, for reasons which will become clear, my second question is for the Prime Minister.

What explanation does the Prime Minister give for the fact that his ethics counsellor, the person responsible—responsible indeed—for the transparency of the government and the guardian of its integrity, yesterday refused to answer any questions with respect to Mr. Beaudry?

• (1435)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is because he is the counsellor to the Prime Minister.

* * *

[*English*]

GOVERNMENT APPOINTMENTS

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the controversy surrounding the appointment of Bob Fowler to the UN has been very prominent in the media. With all of this baggage, why did the Prime Minister appoint Mr. Fowler without first holding a public inquiry to clear the air?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I do not know about an attack like that. Mr. Fowler has been a great bureaucrat. He has been in foreign affairs for almost all of his career. He is a very competent person. He was a very good choice to be named as ambassador after the great service he has given Parliament and this country throughout different governments.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I believe the case of Robert Fowler illustrates the fundamental problems, both real and perceived, in the Department of National Defence.

The government has a perfect opportunity to open up the process as promised in the red book and to put an end to the controversy once and for all.

I ask the Prime Minister again, will he consider calling a public inquiry on a much broader basis than was announced this morning?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the inquiry will be comprehensive and everything can be discussed at the inquiry. We have chosen a course that will allow anybody in the department and the armed forces to be interviewed.

To use the House of Commons for innuendoes of that nature, I would invite the member who just spoke to make the same accusations outside and face the responsibilities. When he hides

behind parliamentary privilege and attacks a bureaucrat who cannot defend himself as he is doing, it is shameful.

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[*Translation*]

AIR CANADA

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is for the Minister of Transport.

Air Canada recently put out an ad to hire staff for its Asian flights. In the French ad, a knowledge of both French and English is required, while in the English ad, only the knowledge of English is necessary.

As an Acadian himself, how can the Minister of Transport accept the fact that French–speaking travellers flying with Air Canada to Asia will not be guaranteed French–language service?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, while operating as a private corporation, Air Canada must abide by the Official Languages Act. I want to thank the hon. member for asking this question. I will certainly have the opportunity to examine why Air Canada acted in this manner, but I still hope that we will be able to settle the issue, because Air Canada has gained access, since last year, to the Japanese market, something it has been looking forward to for the past 10 to 15 years, and will be allowed to fly to Hong Kong before the end of this year.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, are we to understand from the attitude of the Minister of Transport who is hiding behind the autonomy of Air Canada to explain why the corporation did not respect the Official Languages Act to which it is subject, that this is all the enthusiasm the minister can muster in defence of the use of French in the skies?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I can tell from the performance of the hon. member in this House that he has plenty of time to go over all the ads from Air Canada and probably from other companies.

As I told him earlier, Air Canada must abide by the Official Languages Act. I will try to find out why Air Canada acted in this manner and we will ensure that the Official Langues Act is fully applied.

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RAIL TRANSPORT

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, my question is directed to the Minister of Labour.

Madam Minister, I think it is pretty clear we are all very concerned about the railway strike. Could you tell us what the consequences—

• (1440)

The Speaker: My colleague, you should always direct your comments though the Chair. The hon. member may ask his question.

Mr. Paradis: Mr. Speaker, my question for the minister is as follows: What immediate consequences will this work stoppage have for Canadians?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, I think the concerns raised by the hon. member for Brome—Missisquoi are entirely appropriate. In the passenger transportation sector, more than 70,000 people in Montreal and Toronto had no commuter trains and at least 20,000 passengers had to do without the services of VIA Rail.

As for the shutdown of services at CN, we see its impact everywhere on our economy. Ford has already closed its plant in Ontario and wants to close two more. Movements of coal and grain have been reduced by half. Kruger Inc. in Trois–Rivières is closed. Pétromont in Varennes is closed. Alcan has also cut production. We are seeing a tremendous impact on the economy, even in Quebec, and the Bloc Quebecois is preventing us from passing this legislation.

* * *

[*English*]

ETHICS

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, my question is for the Prime Minister.

The ethics counsellor has condemned a recent junket of MPs to Cuba which he himself said was outside his jurisdiction. Did the ethics counsellor initiate this investigation himself, or was it at the request of the Prime Minister?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the ethics counsellor said it was not under his responsibility. He looked into that.

That is exactly why I rose in this House last week and said that I hoped a committee would be struck very soon in this House with the senators so that members would have some guidelines to follow. I hope the committee will come through with some fixed guidelines very soon.

It is the responsibility of members of Parliament and senators to make their own decisions. We cannot impose our views on members. We respect the fact that they have been elected and are adult enough to make their own decisions.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, this question is one which will just not go away.

The president of Canada Post appeared at a well choreographed committee meeting this morning. Canadians are no nearer to understanding the complexities of the Perez affair.

Will the Prime Minister either instruct or at minimum not prohibit the ethics counsellor from thoroughly investigating and reporting on the Perez affair, a matter which most Canadians believe is within his purview?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there were members of different parties on the trip, including one from the Reform Party.

It is up to members of Parliament to make their own decisions as to whether to participate. If members see that this type of trip is forbidden, then it is up to members to say so. However, every member involved in this trip went to the registry and indicated in good faith that they had accepted this trip.

If members should not have accepted this trip, fine, but I was not involved in it. The members followed the rules which existed at that time. If some members want to change the rules, then change them. I cannot impose them on the House.

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[*Translation*]

U.S. TELEVISION CHANNELS

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is directed to the Minister of Canadian Heritage. Yesterday, we noticed that once again, the Minister of Canadian Heritage does not know what is going on in his department. On March 7, the Minister for International Trade promised his U.S. counterpart that no new action would be taken by the CRTC against U.S. television channels, as had happened in the case of the country music channel last year.

Could the Minister of Canadian Heritage explain why the Minister of International Trade made this commitment on his behalf to the Americans?

• (1445)

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, first of all, we should determine whether a commitment exists. It does not. I saw the letter that was sent by my colleague, and I fully agree with its contents. The minister was referring to various reviews and investigations going on at this time, and I have nothing to add to the wisdom of the remarks he made to Mr. Kantor.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I am really surprised at the minister's reply, when we consider what is reported in the media. Once again, could the minister say what is the truth, or should I say politically correct: what he says in this House or what he said yesterday to the journalists?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, the hon. member has a problem: she has wax in her ears.

Some hon. members: Oh, oh.

Mr. Plamondon: Wax is all you have between your ears!

Mr. Dupuy: Yes, her ears are probably plugged. What I said yesterday, and what I said again today in response to a number of questions I was asked, is that the government does not intend to instruct the CRTC on what to do about the channels. I repeat, that is what I said, and there is no contradiction between what I said and what the Minister for International Trade wrote to his counterpart.

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[*English*]

NATIONAL DEFENCE

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, yesterday the Parliamentary Secretary to the Minister of National Defence confirmed that Canada was negotiating the sale of 39 CF–5 war planes to Turkey.

My question is for the Minister of National Defence. What guarantees has the government received that Turkey will not use the CF–5s against civilians?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, it is true that some interest has been expressed by the Government of Turkey to purchase the CF–5 planes that are surplus to our needs. It bought some a number of years ago.

I understand that a number of other countries are interested. In any sale our first obligation is to our NATO allies but, as the Minister of Foreign Affairs said publicly yesterday, any sales of arms are subject to certain very strict criteria.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I would like the defence minister to go a little further in answer to the following question.

Not more than a year ago Turkey bombed Kurdish villages killing many civilian women and children. This morning Turkish war planes and 35,000 troops resumed their offensive against the Kurds in northern Iraq. Given the state of tension it is unlikely that Turkey would refuse to use CF–5s in a future campaign regardless of any written guarantee.

Will the government live up to its red book promise and refuse to sell arms to any country suspected of human rights violations?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I think the question is premature because there is no deal between Canada and any country for the sale of the CF–5s.

Obviously some inquiries have been made and some information discussions have gone on, but should any sale be made of any surplus military equipment it will be according to the strict

guidelines to which our party has subscribed for a number of years and as outlined in our party documents.

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BREAST CANCER

Mr. Tom Wappel (Scarborough West, Lib.): Mr. Speaker, my question is for the Minister of Health and concerns breast cancer. Credible scientific evidence and numerous studies show a possible link between abortion of a first pregnancy and breast cancer.

Could the minister ensure Canadians that the possible link will be thoroughly investigated? Will the minister tell the House what steps she is taking to ensure the potential risk factor is explained to all Canadian women?

● (1450)

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, studies to date have not provided evidence of a link between breast cancer and abortion.

Breast cancer is a very devastating disease for Canadian women. According to Statistics Canada 18,000 women in Canada will be diagnosed with breast cancer and approximately 5,500 women will die as a direct result of the disease in 1995.

There are many possible risk factors. Tobacco was raised yesterday as a possible risk leading to breast cancer. There are risks factors with diet, genetics and many others. Not enough work has been done in the area and I intend to do something about it.

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[*Translation*]

NATIONAL FORUM ON HEALTH

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, my question is for the Minister of Healath.

The minister declared on Friday that the federal government, despite the large cuts in transfer payments to the provinces, holds all of the strings needed to ensure that the five great principles, the untouchables of the Canada Health Act, will be respected.

Must we gather from the minister's statements that the national forum on health will unilaterally review the Canada Health Act and identify the changes to be made, without giving the provinces, who are responsible for administering the health system and who will have to absorb these budget cuts, the right to negotiate anything?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I have said this many times, and so has the Prime Minister: the principles enshrined in the Canada Health Act are not negotiable. The national forum on health is studying the future of the health care system and of the health of Canadians.

The forum will make some recommendations, which we might accept, and the provinces will be given the chance to review the same issues. Both parties want to help each other, because we both know that we have one of the best health care systems in the world and we want to keep it that way.

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, my supplementary question is for the Prime Minister, because I am no closer to understanding than I was before that answer.

Does the Prime Minister, who is also the chairman of the forum on health, have any explanation for the fact that the provinces are not participating in the forum other than that he intends to impose national standards on them which they will never have had the opportunity to negotiate?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, if I recall correctly, we discussed this issue when the forum was announced, and we determined that we were not interested in having the provinces participate. Later on, we invited each one to have a representative on the forum. They all declined.

We offered them a spot but they refused to take part. It is a forum; there are no conditions, and all are free to express themselves. Canadians know that I listen a lot. So every time I go there, I listen. It would have been my pleasure to listen to the provinces, but they denied me this pleasure.

* * *

[*English*]

GUN CONTROL

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, environmental extremist Paul Watson who allegedly was attacked by concerned residents in the Magdalen Islands was widely reported as saying he held off his alleged assailants by using a stun gun and his fists.

Considering that his fists were probably not lethal weapons, my question is for the justice minister. Stun guns are prohibited weapons under section 90(1) of the Criminal Code. Mr. Watson admits to having the prohibited weapon in his possession. Would the minister confirm if the gun was confiscated and if Mr. Watson was charged with having an illegal gun in his possession? If he was not charged, why not?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I admire the hon. member's familiarity with the firearms legislation and I commend him for it.

I also remind him that the enforcement of such provisions is entirely a matter for provincial authorities to which I invite his attention.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, speaking of enforcement, my question is for the revenue minister.

In his view is the anti–smuggling initiative working when a publicity seeking, U.S. based environmental extremist admits to having an illegally smuggled, prohibited weapon in his possession when he clears customs and the weapon remains in his possession one week later?

• (1455)

Could he explain to law–abiding Canadians who will be required to register guns what the use of registration is if this environmentalist can walk around with absolute impugnity?

Ms. Susan Whelan (Parliamentary Secretary to Minister of National Revenue, Lib.): Mr. Speaker, as the hon. member well knows, customs officials do their utmost at the border to ensure that all the laws are kept. They will continue to do so in the future.

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TAXATION

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, my question is for the Minister of Finance.

If the Liberal government goes ahead with its planned legislation, wealthy Canadians will be compensated for estate taxes paid in the U.S. under a new agreement signed in August. The agreement is retroactive to 1988 and will cost Canadian taxpayers over $2 billion in compensation, by giving families with estates worth over $600,000 in the U.S. a foreign tax credit in Canada.

Does the minister have the courage to say no to this outrageous legislation, or does the Liberal government plan to create a new $2 billion tax loophole for the wealthy?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, primarily because of some of the noise and static around the member I had a little difficulty understanding. However I understand the question referred to the tax protocol that was signed with the United States. The member is nodding.

We have made sure that Canadians are not subject to double taxation. Yes, Americans are not subject to double taxation as well arising out of the same piece of legislation.

The member will understand that it is very important for the Government of Canada to protect Canadian citizens. I am sure he will understand, when he talks about the large amounts of money involved which he says we should be saving, that the amount is roughly what the railway strike will cost us if we do not deal with it. One might ask the member why he is not prepared to support the government.

Mr. John Solomon (Regina—Lumsden, NDP): Mr. Speaker, my supplementary question is for the same minister.

This has become more and more curious. The Mulroney Conservative government supported this tax break for the wealthy. The Liberal government opposite supports this tax break for the wealthy. It is a $2 billion tax break for very wealthy Canadians who have estates in the U.S.

Will the minister give Canadian taxpayers a break and cancel this deal of a lifetime for wealthy Canadians?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, as a result of this piece of legislation we are now able to tax Canadian snowbirds who have gone south and we are able to prevent double taxation.

As the hon. member knows, in the last budget and in the one before we probably closed more loopholes than any Canadian government has done since the Prime Minister was finance minister.

* * *

THE ECONOMY

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

Much of the recovery in the economy has been driven by export markets. Durham and Oshawa have benefited since automobile production is a big feature in the area.

When can other small and medium size businesses, their employees and consumers generally see some relief?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the hon. member once again confirms his reputation for articulate economic comment. He is absolutely right when he points out that the recovery has been largely export oriented and to that extent has been one legged.

I must say we are beginning to see the signs of increasing consumer confidence. The statistics this week from Statistics Canada demonstrate that consumer confidence is up sharply. Retail sales were up again in January for the fifth time in six months.

We are beginning to see that because of the tremendous productivity and hard work of Canadians confidence is once again back into our economy after the long desert of the last recession.

* * *

TAXATION

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, my question is also for the Minister of Finance. It has been reported that after meeting with Calgary mayor Al Duerr last Friday he has agreed to review his government's decision to end the private utility tax rebate.

Is he reviewing the decision and when might the House expect the results of the review?

• (1500)

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, there were two newspaper reports on that meeting, one of which was the indication the member is referring to. The other newspaper report citing the mayor made it very clear the government is not reviewing that decision. It is the second newspaper report that is accurate.

* * *

[*Translation*]

CONVENIENCE FLAGS

Mr. Jean Landry (Lotbinière, BQ): Mr. Speaker, my question is for the Minister of Transport. On March 17, the minister responded to a question from the official opposition by stating that the privatization of Marine Atlantic Inc. would resolve the matter of this company's foreign flagging of its ships.

Is the minister not aware that, by not bringing all of the ships of Marine Atlantic Inc. back under Canadian flag before the corporation is privatized, he is condoning this practice, which is followed by many Canadian shipowners, contrary to our economic interests?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, there is no doubt that the question of foreign flagging at Marine Atlantic is one we wanted to address once the matter was raised.

We have determined it has been ongoing, depending on the vessel, for a number of years. As I indicated to a colleague of my hon. friend in the House yesterday, we have asked the president of Marine Atlantic and the board to look into the potential for the commercialization of all the activities of Marine Atlantic.

Certainly we will be addressing the question my hon. friend has put to me one way or another. If the commercialization proceeds, we will have to take into account the implications of reflagging the vessels prior to sail. If the commercialization does not go forward, we will review the matter in the light of my hon. friend's question.

* * *

POINTS OF ORDER

RAIL STRIKE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, in view that Canadians are continuing to lose their jobs as a result of the rail strike, I ask for the unanimous consent of the House for the following order:

> That, notwithstanding any standing order, immediately after the completion of Private Members' Business on this day, the House shall revert to Government Orders for the purpose of considering Bill C–77, an act to provide for the maintenance of railway operations and subsidiary services at second reading stage, in committee of the whole, at report stage and at third reading stage, provided that the House shall not adjourn this day except pursuant to motion by a minister of the crown.

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

Some hon. members: Agreed.

Some hon. members: No.

Mr. Hermanson: Mr. Speaker, I would like to clarify to the House that while the opposition denied consent, it was not the Reform Party that denied consent. We would support any back to work legislation the government introduces.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY—FUNDING FOR CANADIAN BROADCASTING CORPORATION

The House resumed consideration of the motion.

Mr. Louis Plamondon (Richelieu, BQ): Mr. Speaker, due to question period, I was interrupted for an hour since we are to follow Standing Orders, which we agree to do. I was discussing the official opposition's motion concerning funding for the CBC, along with the amendment proposed by the Reform Party.

• (1505)

I recalled my surprise at seeing the Liberal Party renege on commitments it made during the election campaign. I must say it was not an entirely unexpected surprise. Traditionally the Liberal Party has always sung two tunes: one for the election campaign and one for after the campaign, and the two are diametrically opposed.

In my introduction, I recalled the agricultural double talk. For example, when the Liberals were in opposition, they were committed to supporting the dairy producers, defending article XI and maintaining subsidies. Well, once they are in office, what do they do in their budget? They cut aid to farmers and to dairy producers by 30 per cent. They also cut the income support program by 30 per cent.

I also mentioned unemployment. During the election campaign, they said that their priority was to fight unemployment and create jobs. Once they are in office, the language and the

speech change. The latest budget speech contained no job creation measures whatsoever. It has become a joke.

I was at the Sorel and Bécancour employment centres last week. What was the joke of the day? The question went: What is the difference between a Liberal MP and an unemployed person? The answer: The unemployed person has worked in the past.

We have reached a point where people no longer believe in this government. They do not believe the government will make good on its promises. It was the same thing when it came to defending the Acadians and the francophones outside Quebec. We saw francophone MPs from the rest of Canada claiming during the election campaign that they would defend the French fact here in the House of Commons and throughout Canada. But when there is a 5 per cent cut in the operating budget of their association, they say nothing. Not one francophone MP from outside Quebec rose to denounce the policy of the Liberal Party once it took office.

The same thing happened in a number of areas. With respect to copyright, for example, they made a written commitment in a document submitted to the Canada Council to take action to bring copyright under the exclusive jurisdiction of the Department of Canadian Heritage. Once elected, they turned this responsibility over to the Minister of Industry, and gave the heritage minister power to make recommendations only.

The Liberal Party always sings two different tunes: one when it is going after the vote and another when it is in power.

It was the same thing with free trade. They fought against free trade for years and denounced it during the election campaign, but once in office, they were not only all for it, but wanted it extended to other countries. The Liberal Party has always operated this way: it sings one tune before it is elected and another tune after.

I could give other examples. There is patronage, for instance. They criticized the Conservatives for making patronage appointments, but once in office they turned around and in less than six months gave out more than 300 appointments to friends of the party, under the expert guidance of Senator Rizzuto. And I mentioned the example of Michelle Tisseyre, Camille Samson and others.

The Acting Speaker (Mr. Kilger): You are a very experienced parliamentarian; you should always comply with the Standing Orders of the House and avoid identifying members of the other place.

Mr. Plamondon: Mr. Speaker, I did not refer to the Senate but to one particular senator. I think that the Standing Orders allow me to identify one particular senator but not, as you pointed out, to refer to the Senate, that must be called the other place.

In any case, I will drop the word "senator" and use only the name "Rizzuto". This individual, who made the recommendations regarding patronage, is still the party's bagman and advisor on appointments like those of Camille Samson, Michelle Tisseyre and Jacques Saada, who was appointed to a $100,000 a year post with CIDA.

It is typical behaviour for the Liberal Party to use a completely different language after coming to office. Even though they promised to do away with patronage and political appointments, they have since enthusiastically embraced this practice. The party still engages in double talk, especially its leader who, throughout his years in office in the 1970s and 1980s and since 1993, still says one thing before the election and another thing after. They think voters are fools.

• (1510)

This review of Liberals' unkept promises and double talk is clearly reinforced today by our discussion of the funds allocated to the CBC. In this regard, I would like to quote the red book commitments made by the Liberal Party during the election campaign. The red book says on page 88: "Canada needs more than ever to commit itself to cultural development. Instead, the Conservative regime has deliberately undermined our national cultural institutions".

The Liberal Party said, and I quote: "Funding cuts to the Canadian Broadcasting Corporation, the Canada Council, the National Film Board, Telefilm Canada, and other institutions illustrate the Tories' failure to appreciate the importance of cultural development". That is what it said before the election, but after the election, it was the first one to cut, to the tune of $300 million, financing on which the CBC depends, attacking CBC's French network in particular.

Here is what the Liberal Party promised in its red book: "A Liberal government will be committed to stable multiyear financing for national cultural institutions such as the Canada Council and the CBC". This is a far cry from what is going on. Yet, the minister continued to claimed in this House that he did not know exactly how extensive the cuts would be at the CBC; it could not be that much. Perhaps it was a little more than that. He contradicted himself at least five times in the past two months regarding possible cuts at the CBC, when a solemn and specific commitment had been made in the red book to stable multiyear financing. This goes to show once again the difference being in an election campaign or in office makes when you are the Liberal Party.

I will conclude on this as I am almost out of time. I know this will make my colleagues opposite very sad because they would like to hear more—I scan see them hang their heads in shame for sacrificing their principles, the ideals they stood for and their red book to the party line. They will stop at nothing to be in power. They take after their leader. Power at all cost: make all the promises necessary to get there, but once in power, never

mind about making good these promises. Sooner or later, they will face the same reaction they faced in 1984, that is to say complete rejection from Halifax to Vancouver of this kind of behaviour, this double talk they have cultivated.

I will leave you with a recommendation the CRTC made concerning the CBC, stating that it will be imperative that the policy proposals to be developed in the coming months focus on a central and fundamental objective, which is to promote and preserve the identity of French Canadians; at present, our broadcasting system demands from its partners that they allow Canadian content to take up much room, which has encouraged the expression of our cultural identity and made possible the development of audiovisual production in both official languages of this country. It concluded that we should not give up any ground in this respect.

That is what the CBC should focus on, and the current minister is away off the track in refusing to give serious thought to maintaining stable financing, at the expense of the CBC's French network in particular, which is the highest performing. They crack open a bottle of champagne on the English side when they reach one million listeners, while on the French side, this many people listen in daily.

• (1515)

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I listened with great interest to the comments made by the Conservative or rather the Bloc member, since he has a tendency to change his mind, who accuses the Liberals of singing two tunes. Coming from that member, and particularly that political party, this is quite a statement.

Mr. Speaker, today we heard the Bloc Quebecois raise an issue with which you are very familiar, namely the situation of French-speaking Canadians outside Quebec. This is the last straw. The hon. member and his colleague, the member for Rimouski—Témiscouata, are now telling us that they are defending French-speaking Canadians outside Quebec who have a right to be heard. However, yesterday, when some French-speaking Canadians outside Quebec made comments which they did not appreciate, they said that these people did not have a right to speak on the issue and should mind their own business.

Have you noticed that those who talk about the Liberals singing two tunes are doing precisely that? Rather than allude to the two different tunes of the Bloc, it might be more appropriate to refer to the two faces of that party. Those who sing two tunes have two—you guessed it, Mr. Speaker.

The hon. member opposite claims to be CBC's protector—and I am pleased to see that Bloc members support anything with the word Canadian in it—and accuses the government unfairly and unreasonably. Is he aware that us French-speaking Canadians outside Quebec, at least where I come from, enjoy RDI, CBC's French-language network, la Chaîne française, and Quatre Saisons? Indeed, French-speaking Canadians from Ontario can listen to all these channels, in a united Canada.

The member opposite, who talks out of both sides of his mouth, wants to deprive us, French-speaking Canadians living outside Quebec, of these bilingual institutions which allow us to enjoy these cultural vehicles to which we are entitled. Why, on the one hand, does the member claim to protect CBC and French-speaking Canadians outside Quebec while, on the other hand, both he and his fellow Bloc members do their utmost to deprive us of what we have gained?

Mr. Plamondon: Mr. Speaker, I am amazed at the comments made by the hon. member for Glengarry—Prescott—Russell, especially when he said I could not make up my mind. He was critical of the fact that I was first a Conservative and that I am now a member of the Bloc Quebecois. Well sir, at least I have the courage—

The Acting Speaker (Mr. Kilger): Order. In his previous comments, the hon. member for Richelieu seems to have been right about the other place, and I appreciate his comments, which show his experience, but at this point I must remind him to speak through the Chair.

Mr. Plamondon: Thank you for calling me back to order. I was going to say I was amazed when the hon. member for Glengarry—Prescott—Russell said I was someone who could not make up his mind. I changed parties but I did not change my way of thinking. The principles that led me into politics were no longer compatible with the principles of the party to which I belonged. The party had changed, and to remain true to my principles, I had the courage to cross the floor of the House and sit on this side, first as an independent member and subsequently as one of a group of eight members who formed a political party.

When the hon. member saw his party renege on its commitments regarding unemployment, renege on its commitments regarding agriculture, renege on its commitments to protect French culture in Canada by cutting 5 per cent of funding, renege on its commitments to maintaining the public service, renege on its commitments with respect to the CBC, did he have the courage to cross the floor and sit down on this side of the House, as I did in 1990 when the party I served failed to live up to my principles?

• (1520)

That is what I did, but the hon. member, according to an article in *Le Droit*, "this lion in the opposition is now a mere mouse". Indeed he is. That is my response.

Now if he really believes in the CBC, I also believe in the CBC's French network, but if he really believes—when he mentioned the RDI, I commented that some areas do not have it yet, but because there is a French network, because there is an

RDI, why would his department jeopardize their existence? That is what today's debate is all about.

Why would the government not guarantee funding? Why not guarantee funding for the CBC over a five–year period? That is what it is not doing and that is what we want it to do. We want the government to stop operating on the sly and to stop contradicting itself from one day to the next. That is what we want from the minister. Give us the facts, give us stable budgets, maintain what has been achieved by the French network, consider that the CBC's French network is more productive than the English network, provide the same funding for the news on French and English radio stations, provide the same funding for variety programs and for all sports programming.

What we want from the minister is a fair deal and the same guarantees he, his party and his prime minister promised the corporation during the election campaign and in the red book.

That is what we are asking today. Why does the hon. member who asked me a question not have the courage to say: "Yes, I did promise that, yes, we were supposed to do that and we will support the Bloc's motion to put pressure on the minister who no longer has a clue what his department is all about".

[*English*]

Ms. Bonnie Brown (Oakville—Milton, Lib.): Mr. Speaker, as important as the question of future funding levels of the CBC is, I feel that a more fundamental issue must also be addressed in the House today, namely, the importance of public broadcasting in Canada.

I intend to use this opportunity to remind my colleagues on both sides of the House about why we remain deeply and fundamentally committed to public broadcasting in Canada.

It is widely recognized that the CBC television services of tomorrow must necessarily play a much different role than the role they were intended to play over three decades ago. Today, Canadians enjoy a wider range of programming and services than ever before. Although these changes are significant, they are only a preview of what we can expect in the broadcasting industry in the future.

In recent months we have been the recipients of many new services through cable and as the hearings before the CRTC on convergence attest, much more is to come. Indeed it is legitimate for members to wonder when we hear so much about the so–called death stars and the 500 channel universe, what the role of the public broadcaster will be in this environment of increasing choices.

As surely as the CBC is a vital topic today, so it will be even a decade from now. True, the government has a historical position of supporting the CBC and of supporting Canadian culture. At a time when a virtual communications revolution is taking place, Canada needs more than ever a strong cultural identity. No single instrument is more vital to the development of that national identity than the CBC.

The corporation is the single most important employer of writers, actors, musicians, dancers, film makers, directors and many other talented, creative people who shape our vision of ourselves. Nowhere else on the television dial can one see the commitment to quality Canadian programming that one can see on both the English and French language networks of the CBC.

With two mainstream broadcast television networks, one French and one English, a television wing of the northern service and 24–hour all news cable service in both English and French, CBC television brings Canadians together. The CBC has the awards, both domestic and international to prove it.

• (1525)

In a country as vast as ours the CBC alone provides some remarkable services. In addition to the television services already mentioned, it operates four mainstream radio networks, AM and FM in French and English plus a northern service transmitting in many native languages, including Cree and Inuktitut to name but two. These are the only radio networks in Canada and they reach about 98 per cent of the population.

If one visits some of our more remote corners it is easy to understand how much it can mean to a librarian in Iqaluit, for example, to know that her sister in Chester, Nova Scotia and her father in Nanaimo, B.C. are all listening to "Morningside", are all sharing that common Canadian experience. It is that sense of connectedness that is the essence of public broadcasting today. It is this commonality of experience which we must be able to continue to share. We live in an era of increasing specialization but Canadians can obtain almost anything they want on demand.

The question is, are they sharing experiences the way they once did? Our ability to record what we want and to watch it later, almost any time, can make for very selective and singular, some would say isolating, interpretations of our identity. As our national public broadcaster, the CBC must be strong enough to produce the quality Canadian programming that Canadians want to watch, the kind of programming that provokes discussion the next day, the kind of programming that helps Canadians share experiences that make us Canadians.

The former chairman of the CBC, Patrick Watson, said it far better than I can when he addressed the Paul Nitze Centre of Advanced Studies at John Hopkins University in Maryland in

1994. At that time he said: "Canadians, like Americans, will be spending a tremendous amount of time whizzing out to the outer reaches of this new communications universe".

More than ever, if the particular kind of civil society that we have put our money on is going to survive, we are going to need a foundation to start from and return to, something like a media hearthstone, so that whenever we select one of the channels that belong to our own public broadcaster, it will be so clearly ours that Canadians will be able to say to themselves: "We are home".

After all, that is what good public broadcasting is about: providing a sense of home in a universe that is expanding all the time. It does not mean that the CBC can expect increased levels of public funding. To expect that in light of the fiscal situation the government is facing would be neither realistic nor responsible to the future generations who must pay our debts. Likewise, it does not mean that the CBC must perform exactly as it has in the past, for this too would be ignoring reality.

Times have changed and so have our tastes and our expectations. The Standing Committee on Canadian Heritage has heard from many excellent witnesses about the importance of public broadcasting and about alternative ways of doing things. It is time for the government to take the next step, to review the legislated mandate parliamentarians have conferred on the CBC to ensure that we are not asking it to perform tasks which are no longer necessary, given the new services that are available to us or possible, given the resources available today. We must decide how best the CBC can enhance our feeling of connectedness as we enter the new millennium. I look forward to the upcoming announcement by the Minister of Canadian Heritage in this regard.

In closing, I would be remiss if I did not salute the men and women who serve the CBC today and have done so in years past. Their enduring commitment to public broadcasting and public service are valued deeply by the government. As we endeavour to resolve the challenges facing the CBC in the days ahead, we will do our utmost to act with wisdom, diligence and respect for the cultural treasure they have so painstakingly created.

• (1530)

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I was very interested in listening to the member as she spoke about the responsibility of the CBC generating the quality of programming that Canadians want.

I was also interested that the hon. member is continuing with the age old idea the Liberals have had that if anything is good it is going to have to be created by the government, that there must be government intervention into the creation of the Canadian identity and that there must be government intervention into creating a feeling of connectedness. These are wonderful terms but at a cost of $1.1 billion, I wonder how connected Canadians really feel.

I wonder if the hon. member could help me understand this concept. We are spending this gargantuan amount of money to create the quality of programming Canadians want and at the same time, the number of viewers, particularly of English language television, is dropping through the floor. Does she really feel we are getting the kind of value for the taxpayer's dollar we should be if she is after quality of programming that Canadians want yet the CBC is dropping viewers by the bucketload?

Ms. Brown (Oakville—Milton): Mr. Speaker, I am not surprised by the opposition member's response to my remarks in the sense that I did speak strongly about the government's role in providing public broadcasting and the importance of public broadcasting.

Unlike the opposition member, I do not share his utmost faith in the marketplace delivering everything of value to all the citizens of this country. As a matter of fact, in this particular industry, that is broadcasting, while the private marketplace provides a service it has failed miserably to provide the kind of Canadian programming the CBC has managed to do in both official languages.

There is nothing preventing private broadcasters from creating more Canadian programming. However, particularly on English television, which he chooses to highlight, it is clear they can make a lot more money, according to the rules of the marketplace which they follow, by importing American sitcoms and simply rebroadcasting them.

Mr. Abbott: The CBC can.

Ms. Brown (Oakville—Milton): No. Eighty per cent to 85 per cent of CBC's programming in prime time is Canadian programming. Just about the same percentage is American programming on the private networks.

By the latest figures released, we know the market does not help us to create a national vision of ourselves and does not help us tell our stories to each other. Therefore, I and this government still believe there is a role for government in the broadcast industry and in the creation, encouragement and evolution of Canadian culture for both francophones and anglophones in this country.

The member mentioned a gargantuan expenditure of money on the CBC. I guess that would depend on where one's values lie. Perhaps the member believes as I do that this country has a leading role to play in the development of a higher level of civilization in this world. We have not done a bad job of it having been named number one in the world by the United Nations. Perhaps the member values the things that Canadians

have valued over time, things like caring for each other, a sense of community, an abhorrence for useless war. If he did, he would not see the expenditure of money on the public broadcaster as gargantuan.

Some in this country would encourage us to spend more, believe it or not, and to reduce the gargantuan expenditure of money for example on our military. To some that is an obscene expenditure of money. They think the creation of arts and culture, which makes for a more highly civilized nation, is a valuable expenditure of money. I guess it all depends on one's viewpoint as to value for dollars spent.

This nation wishes to retain its identity, to hold on to the things that make us different from our friends to the south. They are our friends but we do not want to imitate them, their social structures, or their social problems for sure. Therefore, it is absolutely necessary that we strengthen our identity as Canadians.

• (1535)

It is necessary that we know who we are and that our children know who they are and that they are different. They are not English as the English in England. They are not French as the French in France. They are not North Americans as those citizens in the United States. They are different and they are special. We are poised between Europe and the United States as our main cultural influences. Therefore, it is more important than ever that we take strong measures as the representatives of the people in this government to ensure that the public broadcaster continues to play a strong role, a publicly funded role, in helping us to determine the vision of ourselves today and a better one for the future.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Madam Speaker, I want to thank the hon. member for her presentation and for clarifying her position and her replies. It is very gratifying to realize that on the Canadian heritage committee, we have a member across the way whose position is not that far from the position of the Bloc Quebecois on the need to defend public broadcasting, the CBC–SRC as we have known it, with whatever adjustments will be necessary because of changing technologies.

I have a comment and a question. What separates us is the concept of Canadian identity. This is a recent invention. There is not just one Canadian identity. There are two Canadian identities, two founding peoples here. More than two, if we include all our First Nations. In this bilingual country, which is French speaking and English speaking, there are two national identities and two cultures, which is reflected in our television programming. So that is what separates us, and nothing is going to change that. That is why we want to leave. We want to leave you with your Canadian identity and assume our Quebec identity. Those are all fundamental reasons, because we will never buy this Canadian identity concept.

That being said, I wonder whether the hon. member— Mr. Cauchon, let me say what I have to say.

The Acting Speaker (Mr. Kilger): There is a time and a place for such conversations, but meanwhile, I would appreciate it if hon. members would speak through the Chair. The hon. member for Rimouski—Témiscouata.

Mrs. Tremblay: You are right, Mr. Speaker, and I thank you for calling me to order. I would also ask the hon. member for Outremont to speak through you.

This is what I wanted to ask the hon. member. Does she see public broadcasting as based on the system we know today, as an entity that will eventually absorb new technologies, or does she see a PBS style network?

[*English*]

Ms. Brown (Oakville—Milton): Mr. Speaker, I think from the committee my colleagues opposite know I am never going to be satisfied with a PBS style public broadcaster.

I find it appalling that at regular occasions what are probably fine upstanding citizens have to stand up with a tin cup and beg for donations. I find it appalling that our neighbour to the south does not value the PBS programs, which indeed many of us and many of its own citizens enjoy, sufficiently to fund it without having the tin cup approach. I would certainly fight against that to the death. You can count on it.

I cannot let the hon member's comments go unchallenged from the point of view of the identity issue. My colleague says there is no single Canadian identity but rather, there is a francophone one, an anglophone one, and an aboriginal one. She says that is why she wants to leave.

The thing is, the government does not want to allow that to happen because when my colleague says they want to leave, she is referring to those of her people with a francophone identity who live within the confines of the province of Quebec, which after all is only a geographic designation.

• (1540)

There are many other Canadians who see themselves with a francophone identity and live outside the borders of Quebec. I ask my colleague why she would want to abandon those who share her sense of identity by leaving them and creating a new country from which they would be excluded.

I have just one other point. The fact is that all identities and all nations evolve and emerge with time. While we all have the identity of our roots, there is such a wonderful opportunity here for me to try to understand my colleague's identity, the identity of her birth and for her to try to understand mine and for all of us together to try to understand the identity of the aboriginal people and indeed of our newcomers. It is as we understand each other that perhaps that search for understanding becomes the foundation of what is truly a Canadian identity for all of us.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, the hon. member preceding me commented on identity saying that our identity in Quebec was simply a matter of geography. I think other factors have to be taken into consideration. It must be remembered that we are the people who arrived from Europe first bringing a French culture to America, with Quebec as its focus.

There was also a French America in North America as a whole. The first French to arrive in Quebec, the ones who settled in Canada, followed the Mississippi, reaching as far as Louisiana and the Rockies.

If, today, the number of francophones in Canada is less than what is was 125 or 130 years ago, it is perhaps more because they were denied the right to be educated in their own language and to grow in their own language. This happened in Manitoba and Alberta, among other places, at the end of the 19th century. Had they enjoyed this right, Canada could have become a truly bilingual country. We could have avoided the present situation in which we discover two completely different realities. We could live as neighbours in harmony. The only way, in our opinion, is for us to opt for sovereignty and for Canada to find a way to deal with its American neighbours.

Did the hon. member in her presentation not limit our identity by making it a matter of geography, in a very restrictive and rather embarrassing way for Quebecers, when we are in fact as much a part of Canada's history as the anglophones and the aboriginal peoples? Is this not limiting us to very little and admitting that the Liberal Party's knowledge of Canada is limited to the image handed to it, particularly by the picture the Prime Minister can paint of it?

The Acting Speaker (Mr. Kilger): The period for questions and comments is over. At 3.40 p.m. the hon. member for Kamouraska—Rivière-du-Loup began his speech for a maximum of 20 minutes.

Mr. Crête: I am sorry, I got confused in my presentation.

I will now go back to the motion presented by the member for Rimouski—Témiscouata. It reads as follows:

> That the House condemn the government for the refusal by the Minister of Canadian Heritage to publish the government's decision concerning funding for the Canadian Broadcasting Corporation (CBC) for the next three years, thus causing an ominous threat to loom over the CBC's French-language network.

This motion got my attention and my support right from the start for various reasons. First of all, it clearly identifies the Minister of Canadian Heritage as being responsible for the very ambiguous situation the CBC-SRC is in at the present time, which affects both its listeners and employees. There is great uncertainty regarding the future role of the corporation and the Minister of Canadian Heritage is to be blamed for it.

The minister's attitude discredits any expertise that might have developed within the Canadian public service and the CBC-SRC. It also discredits the function of the minister since we have repeatedly and systematically been told by the president who resigned, Mr. Manera, and by the vice-president, Mrs. Fortin, that there will be significant and drastic cuts at the CBC-SRC. These statements were not made on the sly. Mrs. Fortin held a two hour televised teleconference which was broadcasted across the country, during which she explained the impact of the cuts to all the services of Radio-Canada. One of her listeners said that Mrs. Fortin had shared her anguish and feelings of powerlessness with her audience. She said she did not know what the future holds for the French network of the CBC.

• (1545)

Therefore, following this evaluation by an employee which reflects the feelings of people following this presentation, the official opposition asked the minister to tell us what the impact of the cuts would be. The only answer we got was that no cuts were planned when, in fact, documents available from the CBC show that a program of cuts is in the works. They mention cuts of $44 million for 1995-96, more than $96 million for 1996-97 and $165 million for 1997-98.

Such cuts are already part of the CBC's future and it must plan its actions accordingly. When dealing with television or radio production, decisions must be made months in advance to determine which serials will be shown in the years ahead and what will be the direction followed by the corporation. The vagueness of the minister and the lingering uncertainty he is fostering are doing tremendous damage to the future of the corporation.

Why did the official opposition consider important to draw the attention of the House on this subject on a designated day? It is because we realized that, after all is said and done—and there is a lesson to be drawn here for both networks of the Canadian Broadcasting Corporation—because of the quality of programming, because of the way Radio-Canada has managed to identify with Quebec, there is during prime time about 87 per cent of Canadian programming and only 13 per cent of foreign programming. Its impact was that TVA, a private network, followed suit and used a mix of 73 per cent Canadian and 27 per cent foreign programming. TQS made sure it had 65 per cent Canadian content. We realize that Radio-Canada really has the power to promote Canada's and Quebec's culture because of the content of the programs it airs and makes known.

The English network is much less able to do this because it does not capture as much of its potential audience and, for example, networks like Global carry 80 per cent foreign content during the same time slot, from 7 to 11 nightly. Pay television carries 94 per cent foreign content. The CTV network, which is

in some ways an overblown take-off from TVA, carries 75 per cent foreign content. Therefore, there is a significant difference in the audiences' perceptions, which Radio-Canada has been able to use to develop a complicity with its audience and to ensure the propagation of the country's culture in a way that the English network has not necessarily been able to do.

Some may believe that higher budgets made it possible to obtain these results. The opposite is true. If we look at the spread in production costs, the average amount allocated per hour of programming at the Société Radio-Canada is $18,390; at the CBC, the amount is $37,496. The average cost of one hour of news on Radio-Canada is $7,000; on CBC, the same thing costs $18,000. The average cost of one hour of French variety shows is $30,000; in English, it is $141,000. Therefore, we cannot attribute Radio-Canada's success in capturing a bigger audience and in propagating Canadian culture to its budget. There are other reasons.

• (1550)

If we stubbornly continue to cut the CBC's French-language network, this will eventually have a direct impact on the quantity and quality of production. We are no longer cutting fat and looking for surpluses. This will have a direct impact on production and, among other things, on the ways we collaborate with the cultural community.

In the past, the French network often contributed to the dissemination of all art forms by giving contracts for concerts, dance performances and other cultural activities. In the future however—as was announced at Mrs. Fortin's press conferences—spending cuts will have a negative effect on cultural production and the potential for adequate cultural dissemination. The CBC's French-language network is being unfairly penalized, since cutting 25 cents out of every dollar does not have the same effect as cutting 35 or 50 cents from $4 or $5. The cuts will have a much more detrimental impact on the French-language network. In this regard, I think it is important for the House, which is preoccupied with sound budget management, to ensure that the cuts are fair.

The cuts currently planned at the CBC do not reflect a commitment to the fair distribution of public funds. The first person responsible for this misinformation is the minister himself because, by refusing to give us the real figures, he is adding to the insecurity of CBC employees and of all those who want this network to continue providing in the future the type of collaboration for cultural dissemination that it used to offer in the past.

Mrs. Fortin also said during the closed circuit TV program in which she explained the impact of the cuts that national television would never be the same, because there will indeed be major consequences for francophones in all Canadian provinces. CBC's French-language network is somewhat like an umbilical cord linking all French-speaking Canadians to the national production made in Quebec, while also allowing the broadcast of regional productions.

During consultations on the social program review, I travelled across the country last year and I can tell you that, in several regions, the French network only has the bare minimum to survive. The decisions to be made regarding CBC's French-language network could have the effect of depriving, in a significant way, access to information in French for part of Canada, and that could go two ways, in the sense that, for example, French-speaking people in Vancouver, Edmonton or Charlottetown would neither have access to information from Quebec, nor be able to familiarize the rest of Canada with their reality.

The cuts will result in a less varied and more limited programming for these people, given the drastically reduced budget of the corporation. Choices will have to be made and the whole French-speaking community outside Quebec may end up paying the price, possibly even more so than the majority in Quebec.

• (1555)

Mr. Manera resigned from CBC because the commitments made to him when he joined the corporation were not adhered to. After the public announcement of cuts by the vice-president of CBC's French-language network, and after the minister's claims that he is not sure whether cuts will be made, the employees of these networks are even more disheartened.

I much prefer the attitude of Mrs. Fortin, who says they will sit down together and see if they can still make interesting things in spite of the cuts to be made, to that of the minister, who refuses to provide the exact numbers. Indeed, Mrs. Fortin seems much more aware of the needs of the corporation's employees, that is those who ensure the daily production.

What can we do to ensure that, in the future, CBC's French-language network can continue to fulfill its mandate without being adversely affected to the point where it would no longer be able to provide the same quality programming for the Canadian public? I think the minister should provide the accurate figures regarding the cuts to be made and then ask employees of the corporation, those who work there, to tell him where these cuts could be made and what their impact will be.

For example, I was told that, each year, or on a regular basis, CBC must spend $15 million to get CRTC's approval for its programming. Considering the anticipated cuts—we are talking $45 million for the first year, 1995-1996—$15 million could significantly help reduce the impact of such cuts.

People might be willing to make cuts at corporate headquarters because, as is the case with other organizations, it is obvious that in the different branches, different service points of the CBC, staff is already at the minimum required to ensure adequate production and adequate coverage of information, whether it be in the cultural or other sectors.

Would it not be possible for the corporation to make a special effort at headquarters? Could we not, as a result, possibly delay the effect the cuts might have on production in the short term? I think that these are avenues that could be studied in the future. Maybe we could ask the minister to consider these suggestions. And let us remember that this is happening in a context where the federal government is saying that francophone minorities in Canada are important to it. They want to make sure that they receive quality services. They want the French fact to be alive and well everywhere in Canada. On the other side of the House, and on this point I concur with the hon. member for Richelieu who spoke before me, they sing two different tunes. There is one for the election campaign, the election platform, and another, which is the reality that the Liberal Party is promoting as a government.

If we take away from the French communities of Canada the possibility of expressing who they are, we are going to widen the gap between elements to a point which will not leave the French fact in Canada enough vigour to survive. By taking even more from them we would be like depriving them of oxygen. I think that the Minister of Canadian Heritage, who is in a way responsible for culture in Canada, should ask himself very serious questions before taking such action.

• (1600)

We have the feeling that, after telling us during the first weeks following the election that he was a good friend of the CBC and would ensure that the corporation had all the resources needed to develop, the minister became a lackey to the finance minister whose job is to cut expenditures.

His inability to properly defend culture in Canada and his narrow vision which encompasses only one Canadian culture are enough to convince him that we do not necessarily need two healthy television networks and that we could cut the oxygen supply to one of them so that we would only have one Canadian identity. We could come back to the bilingual television network we had in the beginning, but that would not reflect the reality in our country.

I think it is important for this House to consider the motion before us today and to ensure, first of all, that the minister clearly indicates where the cuts will be made—what seems to me like a responsible thing to do—and second, that no cuts will be made in areas that could hurt production and the delivery of adequate services to Quebecers and Canadians alike.

[*English*]

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, I have a question for the hon. member. Is culture in Quebec so fragile that it takes Radio–Canada to keep the culture together? I suggest the culture has not been built by a radio or television station or network. The culture has been built by centuries of people working, playing and living together.

After all those centuries is the culture so fragile that we need a government owned television and radio network to sustain it? That seems absurd to me. I would like the member to respond to the question.

[*Translation*]

Mr. Crête: Mr. Speaker, there are more than two oceans in Canada. There is also an ocean of difference between the hon. member's position and my own. I am starting to understand some of the identity problems of English Canada. If a member of this House considers that culture is not transmitted by the media, by radio and television and the information highway and the rest, all the different ways we communicate, I am beginning to understand why some people have trouble distinguishing the border between Canada and the United States.

What I have just heard gives me the impression that they could live anywhere on this planet, that being Canadian or American is the same thing. And I realize why they are so afraid we will leave. They think that after we have left, the Canadian identity will cease to exist.

Before the advent of the printed media and the electronic media, culture was transmitted orally. A people was distinctive in terms of its artistic endeavours, its inventions, its scientific progress and its trading traditions. These are the elements that together represent the culture of a people.

Media like the CBC, both the French and the English networks, use images to show us the country we live in and the people who live there with us. Wanting these media to survive and produce quality programs does not mean our culture is fragile. It proves the importance of communicating that the culture.

That is why, for instance, we have networks like TV5 that group francophone television channels from all over the world. The English networks do the same. I think it is important to realize that in the global village of the future, in the world of tomorrow, networks like the CBC are the tools of the future. Wanting to maintain the CBC does not mean our culture is fragile. It means ensuring that it has a future and that it can take its rightful place, in Quebec or in Canada, depending on what Quebecers decide.

• (1605)

Mr. Nic Leblanc (Longueuil, BQ): Mr. Speaker, it seems that the government has decided to axe the CBC. We are told that cuts of about $375 million will be made over the next few years.

The minister also seems unwilling to disclose these cuts, but we do not know why. That is the question that we are asking ourselves today.

As a member of Parliament who is promoting the sovereignty of Quebec, and seeing that the current government is axing the CBC, I ask myself this question: Would it be preferable for the government to simply privatize the CBC, so that the money saved could be used to reduce taxes in Quebec and to allow the government of Quebec to support Radio–Québec? Radio–Québec could then respond to the needs of Quebecers the same way as the CBC has done it before, since it will not be able to do so in the future.

What does the hon. member think of this suggestion?

Mr. Crête: Mr. Speaker, I do not think it is strictly a question of privatizing the national network. In Quebec and Canada, there is the issue of production. For example, in order to ensure an adequate coverage and the broadcasting of programs reflecting what we really are, it was decided long ago in Quebec that we would create Radio–Québec. Because Quebecers had worked for the CBC, they also wanted to be involved in a television which would picture Quebec adequately in the future. That probably brought about much higher expenses than what should have been.

The solution probably lies in better defined jurisdictions. It should be clear who is responsible for an area, who will have the power to levy taxes and who will have the spending power. Someone should have the authority to sign international treaties, on networks like TV5 for example, in order that we may be sure the money is really spent on production and not on some competition which is not always appropriate and which causes useless expenditures and squandering.

Today, we refuse to question the principle of the existence of the CBC, but we are cutting its air supply at the source. Well, why not try to seek the solution elsewhere? Perhaps we should first understand that there are two cultures in Canada and that each of them must have the adequate tools to ensure its own development.

It is also easy to see the ripple effect of the CBC on the quality of programs and on the fact that the French network airs many more Quebec content programs during prime time hours. These programs promote what we are and, for various reasons, they are quite superior to whatever is shown on the English network. Therefore, we can be proud of the results, at least on the Quebec side.

Mr. Martin Cauchon (Outremont, Lib.): Mr. Speaker, I had a chance to read the motion introduced by the hon. member for Rimouski—Témiscouata and I can say that I was not surprised at all.

Members across the aisle have a philosophy which is behind all the actions of their party. I have said and I repeat that the members of the Bloc Quebecois are not in this House to defend the interest of Canadians and Quebecers. They are here for one reason only, their own interest, which is the separation of Quebec at any cost.

• (1610)

Once this leitmotiv and this philosophy are understood, it is not surprising to see motions like the one we now have before us. Why such a motion? It is simple. It is because the CBC has for many years promoted the Canadian identity and our culture and it has promoted what we are. The CBC has played a role in our unity and in the development of the French fact in Canada, not only in Quebec but also outside Quebec, because there are indeed francophones outside Quebec, a reality that very much frightens the Bloc Quebecois. Therefore, it is not surprising to see that kind of motion which is an attempt to adversely affect the CBC, this national monument and institution of which I am extremely proud.

Indeed, we are in a period of fiscal austerity. The federal government is in a period of fiscal austerity and so are the provinces. The Minister of Finance's budget, and may I remind you that this budget has been tremendously well received by all Canadians, which proves that this government is a responsible government, has lightly touched the budget of the CBC in an effort on the part of the minister to put some order in the government's fiscal house.

There is some bad faith on the other side of this House. I think that this budget indicates clearly the intentions of this government regarding the CBC that we want to preserve. There was a small reduction in the budget. As you know, the budget of the CBC is in excess of $1.1 billion. There is a budget reduction for 1995–96. What we are saying is that we want to go ahead with a reform of the CBC that will take into account the evolution of Canadian society, of our political context and of our country as a whole.

When we talk about reform, we always talk about changing the institutions so that they can evolve at the same pace as the rest of our society. That is what we intend to do with the CBC.

It is not in the interests of the official opposition that we go ahead with our reforms. Their sole objective is to show that the system does not work so that they can eventually bring about the separation of Quebec. They create a very destructive climate that unfortunately serves no one's interests.

When we were elected to form a new government, we said that we would proceed with major reforms. Such reforms can be implemented if everybody works together and pulls in the same direction. However, that is not good enough for the official opposition. Of course, they take their orders from their party's head office in Quebec City and since their party is in power in Quebec, the orders are not to co–operate with the federal government. They are afraid that co–operation could lead to a solution to the present situation and to a slide toward Canadian

federalism which would be in the best interests of all the provinces and in line with the Canadian reality.

• (1615)

Quite the contrary, they chose to withdraw from the process, unfortunately. The head office, the Parti Quebecois in Quebec City, has unfortunately done so in many areas, such as the environment. In that area, they have withdrawn from a Canada–wide consultation committee—Quebecers should know these facts—a committee set up to fine tune the relationships between provincial governments, to fine tune Canadian federalism and to make Canada grow and also, by the same token, to make Quebec grow.

Those are the actions taken by these people who want to go backward instead of moving forward. You know, when we say we want to go ahead with reforms, and also to strive to create a better system, this is possible. The Minister of Finance demonstrated that in his budget.

Let us consider, for example, the issue of social program reform. How many provinces asked us, in the area of social programs, for some decentralization in order for them to gain more autonomy and to be able to shape programs, to a greater degree, according to local, regional and provincial realities? It was nearly a unanimous request.

When we look at the finance minister's budget, we find a positive answer. We see that there is some decentralization and that we created a new Canadian social transfer, a transfer that gives provinces more autonomy and that invites provinces to sit down with the federal government and develop national standards that would apply coast to coast.

That is what Canadian federalism, an evolving federalism, is all about. That is the new political reality. It is a reality that requires politicians throughout Canada to work together in co–operation. But those people do not want to function, they do not want to move forward.

Instead of spending their energy on improving Quebec's position within the Canadian federation, they choose to waste public funds. That is something. In 1995, instead of trying to get the public finance in order, instead of trying to take measures so that Quebec can still have a place within the federation—an enviable place, an important one—and be influential internationally, the newly elected government in Quebec simply tries to achieve one goal, separation, and to do so, it uses public funds and wastes them shamefully.

The regional commissions on the future of Quebec are a good example of that kind of waste of public funds. They represent not only a loss of money, but also an incredible loss of time. I can assure you that I am a true Quebecer and that when I see members opposite do what they are doing now, I know deep in my heart that we are not making any progress with them. They have a negative vision of things.

Canadian federalism did contribute to the development of the French language in Canada and to the development of the French–speaking people living outside Quebec. And the federal government will keep on doing so, it will keep on improving Canadian federalism.

• (1620)

And that is not all. Not only does Canada permit the francophone community within its walls to reach out, but, as the Minister of Foreign Affairs mentioned, Canada is also involved in the international francophone community and enables the francophone face of Canada to shine internationally.

We do it and we do it alongside the Province of Quebec, since the Province of Quebec sits at the table of the international francophone community at the invitation of the federal government. We are so successful at this that we recently established TV5 with other francophone countries. Is there any finer international success than TV5? Is there any finer success for the francophone community than TV5? Therefore federal government actions shine forth not only nationally but internationally.

In closing, I would like to say that, if we work hand in hand, we could protect our invaluable CBC and, doing so, could also enable it to provide the same services in the future it has provided in the past. These services have enabled the French language to shine forth and allowed Canada to express its linguistic and cultural duality not only coast to coast, but around the world.

In conclusion, I would point out that we do not have to listen to anyone who is not working constructively and who is bent on destroying the country. We also do not have to listen to anyone who, when it comes time to act in their own bailiwick, does something far worse than we can do. Take, for example, the issue of Radio–Québec. To go back to the beginning, for all of these reasons, you will see that the hon. member's motion was predictable when we look at the principles underlying their political actions, and I find it quite unfortunate that they take nobody's interests into consideration. The only interest they serve is their own, and their interest is to see the day Quebec separates. If we work together, let me tell you because I have travelled in the province of Quebec many times, we can give Quebecers what they want, a progressive and constructive society.

Mrs. Tremblay: Mr. Speaker, I will be here a long time if I say everything I have to say about what was just said. In any case, I probably will use up the five minutes I have at my disposal. On to my reply.

He says that there is a philosophy behind each of our actions. So much the better. This is what gives us depth and allows us to think articulately. I just heard a bunch of unrelated comments on

various issues, but almost nothing about my motion. He seized the opportunity to talk about everything and anything.

Francophones outside of Quebec, of course we know they exist. We have reminded the House of their existence since we were elected. The Liberals forgot about them for the nine years they were the opposition. They forgot about Quebecers. They forgot about Francophones outside of Quebec. They did not even speak French in the House anymore. It was us who put French back on the map. We were the ones who built it up again, not the hon. member for Outremont, not the Liberals opposite who forgot about French for nine years. They have nothing on us when it comes to this issue.

He did not realize that the budget cuts Radio–Canada's funding by $679 million over three years. He did not even read the whole thing through. That is only for the Department of Canadian Heritage, and half of it would have gone to the CBC. The member accuses us of acting in bad faith. He talks about a reform. We have nothing against progress. I believe that everyone should have access to the information highway. But in the meantime, can we continue to walk on a gravel road? Can we keep our television? The member also said that if we all worked together, and went in the same direction—this is beginning to sound like the ewe the minister spoke of the other day.

• (1625)

On a more serious note, he says that the CBC reflects a Canadian reality. This may be true for the English–language network, but the French–language network reflects the Quebec reality. Just ask Mrs. Fortin who, when she appeared before the heritage committee, was told to try to better reflect the Canadian French–speaking reality. For example, with adequate funding, CBC's French–language network could produce soaps from the Prairies.

The member referred to the head office. He said that we work for the head office, or as some would say, the mother house. I was brought up by nuns and I have no problem with the concept of mother house. In the context of multinational corporations, we often refer to head offices. But what do they do with their subsidiaries, with Michel Bélanger, Daniel Johnson and Stéphane Dion? This is no better. It is exactly the same thing. The head office in this instance is Power Corporation.

The member also referred to what he called—hear me out, I want to get this right—the NCST, the new Canada social transfer. I hope this will not turn out to be what we anticipate. The member alluded to the costs incurred by the commissions. He said the exercise was a waste of time. To respect democracy and consult people is now a waste of money. This is preposterous. How much is spent on Canadian unity? Two hundred dollars a day for each of the spies in each of the commissions. You can figure out the total, Mr. Speaker.

The member crows about the international Francophonie, which is in fact the result of the efforts of the leader of the opposition when he was Canada's ambassador to France, as well as then Prime Minister Brian Mulroney and then Quebec Premier Pierre–Marc Johnson. These three true Quebecers cared about the future of Francophonie, not about seeing French–speaking Canadians disappear through assimilation.

Mr. Cauchon: Mr. Speaker, I did not realize I had annoyed the hon. member so much. We will return to a situation of calm and talk about serious things, that is, the CBC.

I will be brief. When they say there is a philosophy behind their thinking, which gives them vision, it is unfortunate that this vision is not shared by anyone in Quebec, because they see things only one way and that is from the standpoint of separation, which I find unfortunate.

She talks of the hearings of the regional commissions, but we could say a few things on the subject. All that they have done is prove the vision of the present federal government right. People told the opposition member's head office that they wanted attention to be paid to the debt and to the deficit, that they wanted attention to be given to the issue of job creation and that they wanted attention to be paid to economic development.

How is it that only the hon. members opposite have failed to understand? For the past year and a half we have been busy organizing public finances and reforming government machinery, and I must add, successfully. The latest budget of the Minister of Finance is remarkable.

In opposition, they refuse to hear what the people are saying. It is quite simple, however. They have to let go of something that dates from bygone days, from the 1960s. Quebec has changed.

• (1630)

Quebec now has its own instruments of economic development. Quebec is a Canadian power, which now is felt worldwide. These people are acting as if we were still in the 1960s. They are reacting as if they had been colonized. I do not feel they are part of my generation.

In conclusion, I am proud to be a Quebecer. I have no complex. I am proud to belong to the big Canadian family and to go forth together with these people.

[*English*]

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, I listened with interest to other government members talk about the importance of the CBC and what great friends they are of the CBC. With the government and its members having

introduced a budget that severely cuts the CBC, one could say that with friends like that who needs enemies.

I listened particularly to the member talk about the need to reform, the need for a new CBC and how the reform should take place in a co–operative way. I agree that there are new realities, modern realities and a need for change, but I would like to ask the member: Is the government not going at this a little backward?

Before introducing cuts and changes to the budget, it has to first think through where it wants to see the CBC end up. Everybody agrees that with the cuts the CBC cannot fulfil its legislative mandate.

Why has the government not first thought through what type of public broadcasting it wants before it introduced the cuts? Could government members explain what the CBC should be like with these cuts? What is the vision of the member and the government of a new "reformed CBC"?

Mr. Cauchon: Mr. Speaker, my colleague's question is quite interesting. He says that we are going ahead with major cuts. I believe we did not read the same budget.

The budget says that we are reforming the CBC budget as a whole for 1995–96 but we did not talk about cuts afterward. We are doing exactly what the hon. member would like the government to do. We are going ahead with major reform of the CBC's mandate because the government is aware of the financial situation of the country.

We have to take care of the financial situation. At the same time we have to look into the future. In so doing we have to look at reforming the whole system. We have to look at the social safety net and at reforming the system. We will do the same with the CBC.

I believe my colleague's question is a bit premature at this stage because we did not announce any major cuts to the CBC. There is $1.1 billion a year in the budget for the CBC. There is something for the year 1995–96 but thereafter we are doing exactly what the member would like us to do. We are reforming the system.

I am sure the Minister of Canadian Heritage will come back to the House after the standing committee looking at the reform of the mandate makes a decision.

[*Translation*]

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, I will try to get back to the motion without getting overly excited. The motion says the following:

> That the House condemn the government for the refusal by the minister of Canadian Heritage to publish the government's decisions—

I would like to start from that point. The member for Richelieu made a brilliant speech regarding the double talk of the Liberals these last thirty years. He gave us numerous examples where pre–election decisions are not implemented after the elections, where pre–election promises are not kept after the elections. This is in fact double talk, but there is also a lack of transparency when one refuses to tell the facts, when one prefers to remain silent. It is the thrust of the motion introduced today in the House.

• (1635)

I would like to read one or two little paragraphs from the red book, because they make an accurate description of the CBC's present situation. In the little red book, a few sentences relate to the CBC— this one, for example: "At a time when globalization and the information and communications revolution are erasing national borders, Canada needs more than ever to commit itself to cultural development. Instead, the Conservative regime has deliberately undermined our national cultural institutions". So this was a criticism this government was making then of the Conservative government.

I go on: "Funding cuts to the Canadian Broadcasting Corporation, the Canada Council, the National Film Board, Telefilm Canada, and other institutions illustrate the Tories' failure to appreciate the importance of cultural and industrial development". I draw the attention of members to the fact that the government is doing now exactly what he considered unacceptable on the part of the Conservative Party.

This is what Liberals wrote in their little red book, before the elections, of course: "Liberals recognize not only that the promotion of cultural industries contributes to enhancing Canadian identity, but also that cultural products create jobs at home and bring in revenues from abroad". What do we see later on? Job losses, lay–offs and also, probably, losses of revenue. Here is a last little sentence, again from the red book: "Finally, a Liberal government will be committed to stable multiyear financing for national cultural institutions such as the Canada Council and the CBC". That is, the opposite of what we are doing now. "This will allow national cultural institutions to plan effectively". We can see the consequences of the decisions made today.

This is why Mr. Manera resigned. Because he could not plan for the long term. When you are a high level manager wishing to manage public affairs in a coherent manner, you demand coherent funding, which was not given. The cuts to the CBC–SRC fly in the face of the position stated in the little red book. We are denouncing the discrepancy between the decisions being taken and the government's stated position, as we have done every time it has not been true to its position.

I would like to point out that we are not the only ones to do it. Some government members also denounce this kind of activity. I will mention, among others, my hon. colleague, the hon. member for Gander—Grand Falls, who spends the greater part of his time haunting the corridors at Revenue Canada and who, every couple of months, explains either in this House or in the press, how his government refuses to go and get the money where it should, in the pockets of rich Canadians who are not

paying any taxes. It is not the Bloc Quebecois who is saying this, but the member for Gander—Grand Falls.

I will also mention the remarks made by my hon. colleague, the member for York South—Weston, who tells us that every time the government goes after or wants to go after social programs, it is doing exactly the same thing it was denouncing when the Tories were in power. It is not the Bloc Quebecois who is saying this, it is the Liberal member for York South—Weston. I am also coming back to the hon. member for Notre–Dame–de–Grâce, who delivered a cutting speech in this House on how Canada's social programs did not cause the country's deficit. He concluded his speech on this issue by saying that he would probably vote against the budget. We will see what happens when the time comes.

This means that this method of doing things, which we denounce today, was amply decried by the hon. members of the current government. Of course, the minister does not wish to disclose anything when answering questions in the House. He has answered about 10 questions already, I think, regarding the CBC's budget versus the statements made outside of the House by the management of the CBC. The minister refuses to get his feet wet. The CBC's president is forced to resign, saying that $350 million will be cut, yet the minister refuses to confirm this figure.

Ms. Fortin says that 750 positions with the French network will be cut or abolished, yet the minister refuses to confirm the figure, claiming that it is all still hypothetical. Lastly, the media state unanimously that the minister's statements are inconsistent.

• (1640)

We are not the ones saying it, it is the newspapers who are saying it every day. There will be major cuts which will have a dramatic impact on both networks, but will probably hit the French network harder than the English one. There are actually great discrepancies between the two networks. I am referring to what the hon. member for Rimouski—Témiscouata explained to us so well when she said that, in general, television programs produced for the French network cost less than those produced for the English one, and have a bigger public.

I am also referring to a report submitted to the committee by the Coalition pour la défense des services français de Radio–Canada. This coalition represents producers, artists and others involved in producing French–language services for the CBC. According to a summary of its agenda—I believe the House should hear this—the coalition for the defence of CBC French–language services denounces the disproportionate distribution of program resources between Canadian public television programs, depending on whether they are going to anglophones or francophones.

Further, Canadians are not entitled to public services of equivalent quality, if they are French speaking or English speaking. This is not only unfair, but in violation of the CBC–SRC mandate, as stated in the Canadian Radio–television and Telecommunications Act. The coalition's support to the renewal of the French and English networks licences is conditional upon this iniquity being remedied. It recommends that the CRTC attach to the renewal of CBC–SRC licences the obligation to provide both networks with equal program budgets by the year 2001.

In its report, the coalition identifies three specific areas that require particular attention and to conclude asks that the CRTC step in to force the CBC–SRC to act on these problems as a matter of priority. We know where all this leads: to drastic cuts. All under the pretext of having a budget to produce and an enormous debt to deal with.

The Minister of Finance has in fact tabled recently in this House a budget with teeth. This budget does have teeth, but not for just anyone. It does not have teeth when it comes to family trusts for example. Family trusts will finally be abolished, but only in four years from now, to give those who have an interest in family trusts to get their most trusted tax consultants and review the whole gimmick that enables them to avoid taxes.

This budget has no teeth when it comes to tax havens. There are still tax havens and those who use them to keep their profits outside of the country do not pay a cent in taxes in Canada.

This is not exactly a budget with teeth for the banks either. Banks will be required to make a small effort. Peanuts, really, considering the astronomical profits they made this year. While individual taxpayers are asked to tighten their belts to the last notch, the banks get away with doing hardly anything.

On the other hand, this budget definitely has teeth as regards the little people. That is obvious. It bites into the tender flesh of our farmers, milk producers and wheat producers. Of course, it calls for some assistance to be provided to allow Western wheat producers to adjust, but nothing for Quebec.

It bites into UI. The UI system is not for the rich, but they bite off huge chunks of it anyway, without even swallowing the deficit. That is the beauty of it that if we have drastic cuts affecting the little people, it is because we have a growing deficit and debt.

All the cuts made this year will not prevent this deficit and debt from growing, which means that more cuts will be required next year. The effects of the cuts announced this year will not be felt for another seven or eight months.

• (1645)

This budget also compromises the future of our young people by forcing them to pay more to enrol in school in the hope of getting the few jobs that will be left when they graduate—and young people came to the Hill to show us that they understood this. So we end up with well–educated unemployed workers who are 80 per cent in debt. That is their lives. A big budget, indeed.

They are already salivating over their proposed reform of the old age pension plan. A 72–year old man came to see me yesterday in my office. As a good Canadian taxpayer, he had just filed his income tax return. This individual earns $23,000 a year. Because he claimed a capital gains exemption this year as a result of selling his house on paper, he will have to pay back his old age pension benefits, which amount to $4,600 for the year. There are now many people in the same situation who, while preparing their tax returns this month, will realize the extent of the cuts that have been announced but will only be felt in a little while.

I heard my hon. colleague tell us with a smile up to his ears that this budget had been well received throughout Canada. I am not sure that we read the same newspapers. Some fairly well–known people were quoted in the newspapers. The day after the budget was tabled, Roy Romanow said that it was "un–Canadian". And he used this term repeatedly. An indignant Bob Rae claimed that health care and social assistance budgets would be cut. All the newspapers headlined that Bob White was in a state of shock. And the CBC president resigned just after the budget was tabled.

In the meantime, alone in Quebec in the shadow of Michel Bélanger, the so–called great defender of Quebec's interests, Daniel Johnson does not say a word. To stay on the subject of sheep, this could be called the silence of the lambs.

All these measures do not change anything. The debt will continue to grow and the government will have to cut even deeper next year, just to fill in the holes. And the CBC's budget will be affected.

That is why we tabled this motion, to stress that the heritage minister should undertake to give us accurate figures in order to avoid creating an unhealthy climate. The minister himself claims that he is responsible for this portfolio and that he is a friend of the house. I think it would be in the House's interest to be given accurate figures and to know exactly what decisions have been made by this government.

Mr. Guy H. Arseneault (Restigouche—Chaleur, Lib.): Mr. Speaker, today, in this House, French–speaking members from outside Quebec were criticized on a few occasions. We also heard the Bloc Quebecois claim to be the protector of Francophonie outside Quebec. I wish to correct that view and make a comment based on an article published yesterday in a New Brunswick newspaper, *L'Acadie Nouvelle*, and written by the editor, Mr. Nelson Landry. The article is entitled *The flower and the pot*:

> Following the war of words involving the Fédération des communautés francophones et acadienne du Canada, the FCFA, and Bloc Quebecois member Suzanne Tremblay, the two sides respectively deserve the flower and the pot.

The Acting Speaker (Mr. Kilger): Order. When we read an excerpt from a newspaper or other document, the rules are the same as if the words were our own. Consequently, we have to say "the member for", instead of naming the person.

The hon. member for Restigouche—Chaleur.

Mr. Arsenault: Thank you, Mr. Speaker.

> The flower goes to the Fédération des communautés francophones et acadienne du Canada.
>
> Even if the stand taken by the FCFA on the referendum issue is not as firm as it should be, it is now clear that the federation is on the No side, something which was not quite clear a few weeks ago.
>
> The FCFA hopes that Quebecers will vote no but, unfortunately, it will not go any further in its efforts to convince them of the virtues of federalism.
>
> The federation deserves a flower for clarifying its stand, but only one. It will get the bouquet when it takes on the role that it should assume regarding this issue and actively participates in the No campaign, as is the wish of the vast majority of French–speaking Canadians outside Quebec.
>
> The pot goes to the Bloc member for Rimouski—Témiscouata.
>
> That member should think twice before opening her mouth. That could prevent her from talking nonsense as she did last week, when she said that the only way to save the French language in Canada is through a sovereign Quebec.
>
> Such comments clearly show how little Quebec politicians know about the French fact outside Quebec.
>
> As for the "meddling" argument, it is getting pretty thin. The Quebec referendum is a national issue, no matter what the hon. member and others say, and francophones outside Quebec have as much right to speak to this issue as Quebecers.
>
> Francophones outside Quebec have kept silent for too long, which explains why it took so long before they obtained their language rights in some provinces. From now on, they will be heard loud and clear on issues which affect them, including the Quebec referendum.

The article is signed by Nelson Landry.

• (1650)

Mr. Pomerleau: Mr. Speaker, I am not sure if that was a question or a comment. My hon. colleague just talked about interference, but I do not know if he is making this quote his motto or if this statement reflects his opinion. Obviously, there is one thing which is clearly recognized by everybody in Quebec, which is that the future of Quebec will be decided by and only by Quebecers. I want to remind you of a famous statement made by Mr. Bourassa who is not a die–hard sovereignist: "Quebec is now and for ever free to make its choices and master of its own destiny". This is exactly our position.

The hon. member for Restigouche—Chaleur—a marvellous riding I had the opportunity to visit and where a lot of Acadians make you feel very welcome—quoted an article where it is said that were are wrong to argue that the only way for a nation to survive is to become sovereign and that one of my colleagues should think twice before making such a statement. But I would

heartily agree with such a statement. The survival of Quebecers will only be accomplished through Quebec's sovereignty.

You only have to think about all the minority groups throughout French Canada. In almost every part of the country, they were gradually assimilated over a number of years, and if there are French-speaking Canadians living outside Quebec nowadays, it is because with Quebec in the Canada confederation, these people can have a real political balance. However, we no longer think of ourselves as Canadians. We are Quebecers, and Quebec is our only country. So, we will become Quebecers.

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, as we all know, we are debating a motion on the Canadian Broadcasting Corporation and the cuts it has suffered in the last budget.

The comment I would like to make, and my colleague will have the opportunity to add to that when I am finished, is that the budget as a whole does not seem to be based on a corporate plan. What I mean by that is that the cuts appear to have been made at random. The CBC has had its share, as well as other government agencies and programs. There are consequences to all of that. The Americans have an expression for this type of random cutting and the consequences that follow.

• (1655)

They call it dynamic scoring. What is it exactly? Well, it has been discovered that when cuts are made in one place, there are macro-economic consequences elsewhere. It means that in trying to save money here, we force people into unemployment there, which creates, in the economic cycle, a decline whose effects we do not always take the time to measure in advance. So, do we know how many businesses who provide services to the CBC will see their sales reduced because of these budget cuts that will force the CBC to buy fewer services from them?

Do we know how many people will be laid off? Do we know how many of these people will be unable to find a new job in their area of expertise or in another area? Do we know by how much welfare costs will increase in each of the provinces? We have to realize that what happens with all these cuts—and the cuts to the CBC are no exception—is that the federal government is saving some money but is forcing the provinces to spend more on welfare. Not only have we shifted the problem, but we may well have made it worse.

No macro-economic study supports the effects of what the Americans call dynamic scoring. We are making cuts at random, we do not have specific targets, we do not know where that will lead us and I think it is something that Canadians have a right to know. I would like my colleague to comment on my perception of the way we are not being governed.

Mr. Pomerleau: Mr. Speaker, first of all I would like to tell my hon. colleague that this is the first time I hear the phrase "dynamic scoring". If I understand well, this is a little like skeet shooting, or shooting on the fly, at random, haphazardly. I think there is at least one conclusion that can be made in this House for the information of everybody here: a government cannot be run like a business. We often hear business people telling us that the government should be run like a business.

Unfortunately, that is not possible, strictly speaking. While a company can lay people off and get rid of a problem because it has too many employees, the government, acting on behalf of a nation, can never do that without getting stuck with the problem. In other words, the government will have the people laid off on its hands in one way or the other, whether through unemployment insurance or social welfare; and, in the absence of major social measures, there will be increased violence and more social problems, people will go without medication or have incredible problems.

Therefore, the government can never be totally run like a business, and I think dynamic scoring works even less for a government than for a business. Indeed I think budgets are made and cuts are made here and there—anyway it has been indicated in a document here—somewhat equally across the board, whereas we should have very specific cuts, as if made with a surgeons's blade.

[*English*]

The Acting Speaker (Mr. Kilger): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Ontario, Multiple Sclerosis; the hon. member for Québec, the Advisory Council on the Status of Women; the hon. member for Charlesbourg, National Defence; the hon. member for Prince George—Bulkley Valley, Land Claim.

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, I rise to participate in this debate. While I agree with much of what the motion before us states, I must also hasten to add that I agree with the amendment introduced by the Reform Party that would strike out the words after the phrase "for the next three years".

• (1700)

I must chide the Bloc members. As the official opposition they must also concern themselves with the whole country. The government has done a disservice to the CBC not just in Quebec but to the CBC and public broadcasting across this country. Therefore, I hope the amendment introduced by the Reform Party will be accepted by the House so we can vote in favour of the whole opposition motion.

The need for public broadcasting like that of the CBC is greater today than ever before. Both government members and Bloc members have mentioned this. Reform Party members have basically spoken against the CBC suggesting that it should be privatized and sold. I find them to be a bit sinister or really naive.

Historically, every political party in Canada, whether from the left or the right have agreed there is a need for the state to intervene and to play an activist role in order to maintain a sense of national identity and a sense of cultural identity. The reality of a small, populated country like Canada living next to a very large, dynamic country like the United States means that if we are going to maintain a sense of who we are, we are going to have to do something in a collective way.

As I have mentioned before, all the political parties, whether it was the Conservative Party, the Liberal Party, the New Democratic Party or the old Social Credit Party, whether they were parties to the left or the right, have agreed on this basic premise, except of course for the Reform Party. That is why I wonder whether the Reform Party really understands the national interest in this sense or whether it is naivety or sinister intent.

If we did not have institutions such as the CBC, if we did not have a more interventionist government policy when it came to cultural issues, imagine what Canada would be like. Imagine what Canada would be like if we did not have the CBC. We would be totally Americanized. We would not have the jobs. We would not have the ability of Canadians to hear and see each other.

It is in the national interest to maintain a strong Canadian cultural policy and a cultural identity so that we as citizens can hear and see each other. To let the market decide in the way the Reform Party advocates is doing a disservice to the country because we will not be able to hear and see each other.

Market forces will operate and market forces are such that it is cheaper to have an American program on television during prime time than it is to have a Canadian program. The economics are such that it does not make any sense in terms of profit to have and produce Canadian programs. I would think that Reform members would understand that.

Let us turn to the record of this government. It has not been a good one when it comes to cultural matters. It started off with Ginn publishing. It has the inability or lack of desire to stand up for Canadian publishing companies to ensure they remain in the hands of Canadians so that Canadian writers will have their works published.

Then we come to the budget. The minister of heritage had given public assurance to the CBC that its funding would not be cut, that it would have stable funding for the next three years. Despite that fact, lo and behold on budget night we realized, it realized and the country realized the dimension of the cuts.

It is now obvious from the budget that the CBC cannot carry out its legislated mandate. The government and the minister particularly have done a disservice by giving a false sense of security to public broadcasting and the CBC by stating that its funding would be assured for the next three years. It gave public broadcasting in this country that assurance. It was a false assurance and the government and the minister have done a disservice.

• (1705)

Instead of the government thinking through what type of new public broadcasting should be initiated before it announces cuts, it instead has done the whole thing backward. It has announced cuts and who knows, maybe more will be coming. Rumour has it that we might see a budget this coming fall with more cuts.

Rather than having a vision as to what a new form of public broadcasting should mean in Canada and how we can get the resources together to fulfil that, the government starts from the opposite direction. It decides how much it is going to cut and then lets the pieces fall where and how they may. That is not careful planning. It is not smart management. It is mismanagement. It is running the terrible danger of public broadcasting destroying itself in this country.

The reform and changes government members talk about occurring out of blind cuts and slashes rather than something that is being done in an intelligent manner are now occurring within the CBC. The debate within the CBC now is whether it can adjust to the cuts other than just by cutting and cutting or by starting first to rethink what public broadcasting can and should be and then working from the ground up.

In other words, the government is starting in the wrong direction and in the wrong way. Rather than rethinking things through and starting from the bottom and working up, it is jumping in with cuts and cuts. It is not thinking through what those cuts will mean and how they will be implemented. There is no blueprint, no vision about what public broadcasting should be.

I do not have much time in this debate but I would like to put on record some of my suggestions and my vision of what public broadcasting should be.

It should start from the ground up. The regions and regional broadcasting should be the heart and core of public broadcasting. I would be furious if all the cuts were done at the regional

level and the head office was not touched at all. I am critical of past CBC cuts for not attacking the head office and instead attacking the regions as was done in the 1980s.

I think we all agree and I think the people within the CBC also agree that the head office remains bloated. It does not need the hundreds and hundreds of people in the financial section. I believe there are 200 people dealing with the relationship of the CBC, the CRTC and the government. It can be much meaner and leaner on that level.

The CBC has to be based on the regions, the alliances and the networking in which producers, creators and reporters can work at the regional and local community level. The national system should be an alliance, a bringing together of the different regions forming a national system.

The internal relations between management and employees have to change. They are changing. It is already happening. It has to be accelerated. Sitting in on the committee, I heard some very positive things of what the CBC is doing.

For example in Windsor, a station that was shut down, the CBC and the employees got together and said: "Okay, let us reopen this". It is operated in an entirely different way. Producers, technicians, reporters and performers are all working together in a non–adversarial, non–hierarchical way. Lo and behold, even the reporter or the producer will carry the camera, or plug in the lights. There is not a strict code that differentiates the jobs that the different unions and the different technicians and people do. It is a whole different way of operating a station.

• (1710)

I understand this is working well and it is exciting. It is a way the new creative juices can flow. That is exciting. As I see a reformed public broadcasting and a reformed CBC, I would like to see the winds of experiment done all across the country.

In the same vein, another point I would like to bring forward is a more syndicalist approach as a solution to the problems of the CBC. I know in the first round of cuts in the 1980s the CBC shut down the Saskatoon station. I understand that the employees in Saskatoon wanted to run the station. They tried to buy the equipment to run the CBC station in Saskatoon themselves.

This should be highly encouraged. The workers within the CBC should have the ultimate control, not some hierarchy in head office in Ottawa or Toronto. It is the local actors, the local producers, the local reporters, the local technicians working together in a co–operative way operating our television and radio stations. A more syndicalist approach is what I would advocate as a model for the CBC to seriously consider.

In closing, I must mention my disappointment with the Standing Committee on Canadian Heritage. I am an associate member and not a full time member on the committee. This committee has been meeting since last fall and it still has not tackled the fundamental issues. It keeps going around in circles. Part of the problem is that this government has no sense of leadership and no vision to present to the committee.

If anything, I would tend to think that the government members on that committee are more divided among themselves as to what direction public broadcasting should be going in. There is no understanding that the degree of cuts the CBC is facing will necessitate a total change in the mandates. We have not had a discussion in terms of seriously looking at the mandates. I would tend to think that much of the work the committee has done has now been made obsolete by the speech the Minister of Finance delivered on budget day. We have to go back to square one and look at what the legislated mandate of the CBC is and start from there.

The government's lack of vision and lack of direction when it comes to public broadcasting is doing a disservice to the CBC. This government is being driven by the finance department, not that we do not have a serious problem when it comes to debt and deficits. Politics in Canada will be defined in terms of how different political parties propose to deal with the debt and deficit.

This government's reaction to public broadcasting is not a wise one. It is not an intelligent one. It is not one that has been thought through. It is being driven by the finance department. In the end, it might cost Canada even more money or loss of the resources we have built up over the years in our public broadcasting system.

Hopefully, the House will accept the amendment of the Reform Party and that we will be able therefore to support the motion as presented to us by the Bloc Quebecois.

The Acting Speaker (Mr. Kilger): It being 5.15 p.m., it is my duty to interrupt these proceedings and put every question necessary to dispose of the supply proceedings now before the House under the provisions of Standing Order 81.

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mr. Kilger): The question is on the amendment. Is it the pleasure of the House to adopt the amendment?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the amendment will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

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

(Division No. 171)

YEAS

Members

Abbott
Althouse
Blaikie
Cummins
Duncan
Forseth
Gilmour
Hanrahan
Harper (Simcoe Centre)
Hayes
Hoeppner
Johnston
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Mills (Red Deer)
Penson
Ringma
Scott (Skeena)
Solberg
Speaker
Strahl
Wayne

Ablonczy
Benoit
Brown (Calgary Southeast)
de Jong
Epp
Frazer
Grubel
Harper (Calgary West)
Harris
Hermanson
Jennings
Manning
Mayfield
Meredith
Morrison
Ramsay
Schmidt
Silye
Solomon
Stinson
Thompson
Williams—44

NAYS

Members

Adams
Assad
Axworthy (Winnipeg South Centre)
Barnes
Bellehumeur
Bergeron
Bethel
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Bélair
Bélisle
Campbell
Catterall
Chrétien (Saint–Maurice)
Cohen
Collins
Cowling
Crête
Debien
Deshaies
Dingwall
Dubé
Duhamel
Dupuy
English
Fillion
Flis

Arseneault
Augustine
Bakopanos
Beaumier
Bellemare
Bernier (Beauce)
Bevilacqua
Bodnar
Boudria
Brushett
Bélanger
Calder
Caron
Chrétien (Frontenac)
Clancy
Collenette
Comuzzi
Crawford
Daviault
de Savoye
DeVillers
Discepola
Duceppe
Dumas
Eggleton
Fewchuk
Finlay
Fontana

Gagliano
Gallaway
Gerrard
Godin
Graham
Grose
Guay
Harvard
Hopkins
Ianno
Keyes
Knutson
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Lincoln
Loubier
MacLaren
Maheu
Maloney
Martin (LaSalle—Émard)
McCormick
McKinnon
McTeague
Mifflin
Minna
Murphy
Ménard
Nunez
O'Reilly
Paradis
Paré
Peters
Pickard (Essex—Kent)
Plamondon
Proud
Regan
Ringuette–Maltais
Robillard
Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Skoke
St. Denis
Stewart (Brant)
Telegdi
Tobin
Tremblay (Rimouski—Témiscouata)
Valeri
Venne
Walker
Wells
Young —165

Gagnon (Québec)
Gauthier (Roberval)
Godfrey
Goodale
Gray (Windsor West)
Guarnieri
Harb
Hickey
Hubbard
Jacob
Kirkby
Kraft Sloan
Landry
Laurin
Lebel
Leblanc (Longueuil)
Leroux (Shefford)
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marleau
Massé
McGuire
McLellan (Edmonton Northwest)
McWhinney
Milliken
Mitchell
Murray
Nault
O'Brien
Pagtakhan
Parrish
Patry
Phinney
Pillitteri
Pomerleau
Reed
Richardson
Robichaud
Rocheleau
Rompkey
Serré
Sheridan
Speller
Steckle
Stewart (Northumberland)
Thalheimer
Torsney
Tremblay (Rosemont)
Vanclief
Verran
Wappel
Whelan

PAIRED MEMBERS

Asselin
Bernier (Gaspé)
Bouchard
Canuel
Chan
Dalphond–Guiral
Fry
Guimond
Jackson
Mercier
Picard (Drummond)
Simmons
Ur

Bachand
Bernier (Mégantic—Compton—Stanstead)
Brien
Chamberlain
Culbert
Easter
Gaffney
Harper (Churchill)
Marchand
Peric
Sauvageau
Szabo
Volpe

• (1745)

The Speaker: I declare the amendment negatived.

The next question is on the main motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Boudria: Mr. Speaker, a point of order. I think you would find unanimous consent that the members who have voted on the previous motion be recorded as voting on the motion now before the House in the following manner: Liberal members voting nay.

I understand that the whips of the other parties will be indicating how their colleagues are voting.

[*Translation*]

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members will support this motion.

Mr. Silye: Mr. Speaker, most Reform Party members will vote against this motion, except those members who would like to vote otherwise.

[*English*]

Mr. Solomon: Mr. Speaker, the New Democrats present in the House today will vote no on this motion.

[*Translation*]

Mr. Bernier: Mr. Speaker, the independent member for the riding of Beauce will vote against this motion.

[*English*]

Mrs. Wayne: Mr. Speaker, I will be voting nay.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 172*)

YEAS

Members

Bellehumeur
Bélisle
Chrétien (Frontenac)
Daviault
de Savoye
Dubé
Dumas
Gagnon (Québec)
Godin
Jacob
Landry
Laurin
Lebel
Leroux (Shefford)
Ménard
Paré
Pomerleau
Tremblay (Rimouski—Témiscouata)
Venne—37

Bergeron
Caron
Crête
Debien
Deshaies
Duceppe
Fillion
Gauthier (Roberval)
Guay
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Loubier
Nunez
Plamondon
Rocheleau
Tremblay (Rosemont)

NAYS

Members

Abbott
Adams
Arseneault
Augustine
Bakopanos
Beaumier
Benoit
Bethel
Blaikie
Bodnar
Boudria
Brown (Oakville—Milton)
Bélair
Calder
Catterall
Clancy
Collenette
Comuzzi
Crawford
de Jong
Dingwall
Duhamel
Dupuy
English
Fewchuk
Flis
Forseth
Gagliano
Gerrard
Godfrey
Graham
Grose
Guarnieri
Harb
Harper (Simcoe Centre)
Harvard
Hermanson
Hoeppner
Hubbard
Jennings
Keyes
Knutson
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manning
Martin (Esquimalt—Juan de Fuca)
Massé
McClelland (Edmonton Southwest)
McGuire
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Mills (Red Deer)
Mitchell
Murphy
Nault
O'Reilly
Paradis
Patry
Peters
Pickard (Essex—Kent)
Proud
Reed
Richardson
Ringuette-Maltais
Robillard
Rompkey
Scott (Fredericton—York—Sunbury)
Serré
Sheridan
Skoke
Solomon
Speller

Ablonczy
Althouse
Assad
Axworthy (Winnipeg South Centre)
Barnes
Bellemare
Bernier (Beauce)
Bevilacqua
Blondin-Andrew
Bonin
Brown (Calgary Southeast)
Brushett
Bélanger
Campbell
Chrétien (Saint-Maurice)
Cohen
Collins
Cowling
Cummins
DeVillers
Discepola
Duncan
Eggleton
Epp
Finlay
Fontana
Frazer
Gallaway
Gilmour
Goodale
Gray (Windsor West)
Grubel
Hanrahan
Harper (Calgary West)
Harris
Hayes
Hickey
Hopkins
Ianno
Johnston
Kirkby
Kraft Sloan
Lee
Loney
MacLaren
Maheu
Maloney
Marleau
Martin (LaSalle—Émard)
Mayfield
McCormick
McKinnon
McTeague
Meredith
Milliken
Minna
Morrison
Murray
O'Brien
Pagtakhan
Parrish
Penson
Phinney
Pillitteri
Ramsay
Regan
Ringma
Robichaud
Rock
Schmidt
Scott (Skeena)
Shepherd
Silye
Solberg
Speaker
St. Denis

Steckle
Stewart (Northumberland)
Strahl
Thalheimer
Tobin
Valeri
Verran
Wappel
Wells
Williams
Stewart (Brant)
Stinson
Telegdi
Thompson
Torsney
Vanclief
Walker
Wayne
Whelan
Young —172

PAIRED MEMBERS

Asselin
Bernier (Gaspé)
Bouchard
Canuel
Chan
Dalphond–Guiral
Fry
Guimond
Jackson
Mercier
Picard (Drummond)
Simmons
Ur
Bachand
Bernier (Mégantic—Compton—Stanstead)
Brien
Chamberlain
Culbert
Easter
Gaffney
Harper (Churchill)
Marchand
Peric
Sauvageau
Szabo
Volpe

The Speaker: I declare the motion negatived.

PRIVATE MEMBERS' BUSINESS

[*English*]

CANADA STUDENT FINANCIAL ASSISTANCE ACT

The House resumed from March 16 consideration of the motion and of the amendment.

The Speaker: Pursuant to order made Thursday, March 16, 1995, the House will now proceed to the taking of the deferred divisions on the motion of Mr. Manning relating to Private Members' Business.

The question is on the amendment.

• (1750)

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent for the following. The members who have voted on the previous motion will be recorded as having voted on the motion now before the House in the following manner: Liberal members will be voting yea.

[*Translation*]

Mr. Duceppe: The members of the Bloc Quebecois will vote against the motion.

[*English*]

Mr. Silye: Mr. Speaker, Reformers vote against the amendment.

Mr. Solomon: Mr. Speaker, as whip of the NDP caucus, the NDP caucus members present this afternoon vote no.

Mrs. Wayne: Mr. Speaker, I will be voting yea.

Mr. Bernier (Beauce): Yes, Mr. Speaker.

Mr. Arseneault: Mr. Speaker, as this is Private Members' Business, I go on record as supporting the amendment.

(The House divided on the amendment, which was agreed to on the following division):

(*Division No. 173*)

YEAS

Members

Adams
Assad
Axworthy (Winnipeg South Centre)
Barnes
Bellemare
Bethel
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Bélair
Calder
Catterall
Clancy
Collenette
Comuzzi
Crawford
Dingwall
Duhamel
Eggleton
Fewchuk
Flis
Gagliano
Gerrard
Goodale
Gray (Windsor West)
Guarnieri
Harvard
Hopkins
Ianno
Kirkby
Kraft Sloan
Lee
Loney
MacLaren
Maheu
Maloney
Martin (LaSalle—Émard)
McCormick
McKinnon
McTeague
Mifflin
Minna
Murphy
Nault
O'Reilly
Paradis
Patry
Phinney
Pillitteri
Reed
Richardson
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Skoke
St. Denis
Stewart (Brant)
Telegdi
Tobin
Valeri
Verran
Wappel
Wells
Young —129
Arseneault
Augustine
Bakopanos
Beaumier
Bernier (Beauce)
Bevilacqua
Bodnar
Boudria
Brushett
Bélanger
Campbell
Chrétien (Saint–Maurice)
Cohen
Collins
Cowling
DeVillers
Discepola
Dupuy
English
Finlay
Fontana
Gallaway
Godfrey
Graham
Grose
Harb
Hickey
Hubbard
Keyes
Knutson
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Marleau
Massé
McGuire
McLellan (Edmonton Northwest)
McWhinney
Milliken
Mitchell
Murray
O'Brien
Pagtakhan
Parrish
Peters
Pickard (Essex—Kent)
Proud
Regan
Ringuette–Maltais
Robillard
Rompkey
Serré
Sheridan
Speller
Steckle
Stewart (Northumberland)
Thalheimer
Torsney
Vanclief
Walker
Wayne
Whelan

NAYS

Members

Abbott	Ablonczy
Althouse	Bellehumeur
Benoit	Bergeron
Blaikie	Brown (Calgary Southeast)
Bélisle	Caron
Chrétien (Frontenac)	Crête
Cummins	Daviault
Debien	de Jong
de Savoye	Deshaies
Dubé	Duceppe
Dumas	Duncan
Epp	Fillion
Forseth	Frazer
Gagnon (Québec)	Gauthier (Roberval)
Gilmour	Godin
Grubel	Guay
Hanrahan	Harper (Calgary West)
Harper (Simcoe Centre)	Harris
Hayes	Hermanson
Hoeppner	Jacob
Jennings	Johnston
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Leblanc (Longueuil)	Leroux (Shefford)
Loubier	Manning
Martin (Esquimalt—Juan de Fuca)	Mayfield
McClelland (Edmonton Southwest)	Meredith
Mills (Red Deer)	Morrison
Ménard	Nunez
Paré	Penson
Plamondon	Pomerleau
Ramsay	Ringma
Rocheleau	Schmidt
Scott (Skeena)	Silye
Solberg	Solomon
Speaker	Stinson
Strahl	Thompson
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)
Venne	Williams—80

PAIRED MEMBERS

Asselin	Bachand
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Bouchard	Brien
Canuel	Chamberlain
Chan	Culbert
Dalphond-Guiral	Easter
Fry	Gaffney
Guimond	Harper (Churchill)
Jackson	Marchand
Mercier	Peric
Picard (Drummond)	Sauvageau
Simmons	Szabo
Ur	Volpe

The Speaker: I declare the amendment carried.

The next question is on the main motion as amended. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

The Speaker: I declare the motion carried on division.

(Motion, as amended, agreed to.)

Private Members' Business

The Speaker: It being 6 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

* * *

COMMUNICATIONS SECURITY ESTABLISHMENT

The House resumed from December 13, 1994 consideration of the motion and of the amendment.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, this evening we are debating a motion put forward by the hon. member for Scarborough—Rouge River. The motion states that the operations of the Communications Security Establishment should be reviewed by another body, notably the Security Intelligence Review Committee or SIRC.

The Communications Security Establishment or the CSE carries on two functions. It listens to other people's communications and tries to ensure that no one listens to us. It is a spy organization supposedly involved in foreign intelligence. This sounds very interesting, knowing the kinds of technology out there, which allow the spies to gather all sorts of private information.

Today it is possible to intercept any telephone call, any telex or any fax. In fact, with a fairly inexpensive piece of equipment in the back of a van it is possible to reproduce through electromagnetic radiation emissions what somebody is typing on their computer screen three blocks away. This is called electromagnetic eavesdropping.

According to a House of Commons special committee report entitled "In Flux But Not In Crisis" dated September 1990, this technology has important implications—

The Acting Speaker (Mr. Kilger): Order. I wonder if we could ask the co-operation of the House. So we might proceed with Private Members' Business in an orderly fashion, would those members who have business outside the Chamber please take it outside the Chamber.

Mr. Penson: Mr. Speaker, thank you. For a moment I thought I was still in question period. The report that was commissioned by the House of Commons special committee entitled "In Flux But Not in Crisis" dated September 1990 said that this technology has important implications with respect to individual rights and freedoms.

The report states that it is likely that CSIS uses this technology in its operations. The CSE is capable of employing it as well and that it shares information with CSIS. The report questions whether these intrusive techniques are used against Canadians and landed immigrants. There is even some question whether electromagnetic eavesdropping technology constitutes an offence under the current provisions of the Criminal Code. People

using this technology can go undetected because there is no need to break and enter or trespass other people's property in order to use it.

The report goes on to state that the committee believes the CSE should get a judicial warrant before using electromagnetic eavesdropping. Does the CSE do this before beginning its investigations of foreign governments, foreign companies or foreign individuals? Who knows?

There are a lot of things we do not know about this taxpayer–funded operation. We do not know how much it spends because its budget is buried somewhere in the Department of National Defence expenditures. We do not know how many people work there because those numbers are not published. We do not know whether the CSE is doing what it is supposed to do because it has no mandate. All we have are educated guesses.

In a background paper entitled "The Communications Security Establishment: Canada's Most Secret Intelligence Agency" dated September 1993, a parliamentary researcher concludes that in 1991 the CSE's budget was in the $100 million to $125 million a year range. This figure did not include an additional $150 million in personnel and other support provided by Canadian forces.

The same background paper places the number of employees at 875 in June 1993 although that does not include the 1,100 persons assigned from Canadian forces to operate in various monitoring stations in Canada, Bermuda and Germany.

The cold war is over. We may be involved in some minor external skirmishes over fish and some major internal battles over who stays in Canada and who does not and what stays in the federal budget and what does not. The rationale for keeping the Canadian public in the dark about this secret agency no longer exists, if it ever did in the first place.

The bigger danger is that this agency gets involved in something that it has no business in, like spying on Canadians, or that it does something illegal.

Right now the CSE is accountable to no one. It is true that the Minister of National Defence approves the major capital expenditures of CSE and its annual multiyear operational plan and its major initiatives that have significant policy or legal implication, but the CSE reports to the deputy clerk of security intelligence in the Privy Council on policy and operational management. The right hand cannot be held responsible for what the left hand is doing and vice versa.

No government agency should escape review. Every government agency should be accountable to someone or some body that is accountable to the Canadian public. Canadians have a right to know whether the CSE actually spent $125 million or even $275 million in 1991. Right now we do not know that. Furthermore, they have the right to know how much was spent last year and what the budget will be for next year.

The CSE has 875 listeners on its payroll who are intercepting communications of foreign government, foreign companies and foreign individuals. Someone should be watching and listening to the listeners.

My colleagues and I will support the motion made by this member on Private Members' Business and any amendments that will make this body more accountable to the Canadian public. My understanding is there are two amendments to this motion. The first is by the member for Bellechasse which asks the CSE to table an annual report in the House on its activities.

The second is by the member who proposed this motion in the first place. The second amendment changes the motion so that an independent body rather than SIRC reviews the Communications Security Establishment. This amendment serves to further strengthen the motion. I commend the hon. member for Scarborough—Rouge River for putting forward this motion and I hope he gets the support from all of his colleagues in the House.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I am very pleased to speak on this subject.

I am aware that my colleague is going to prepare an amendment to the motion, which I am very pleased to see. Without actually mentioning the amendment I believe he will pose it by a point of order perhaps after I finish speaking.

I want to make three definitions. I will be using them quite frequently. CSE is the Communications Security Establishment. CSIS is the Canadian Security Intelligence Service. SIRC is the Security and Intelligence Review Committee.

I am very pleased about the amended wording. It puts the intent of what the hon. member wants to do in better perspective. It is important at this stage because it is really essential to the understanding of why the amendment to the motion was put forward.

I want to define foreign intelligence. Foreign intelligence refers to information or activities concerning the capabilities, intentions or activities of foreign states, corporations or persons in relation to the defence of Canada or the conduct of international affairs of Canada.

• (1805)

It may include information of a political, economic, military, security or scientific nature. Canada, unlike most of our allies, does not have an offensive foreign intelligence service.

However, like most countries Canada has established modest means to collect and analyze foreign intelligence. Since World War II the main departments of the Government of Canada that have been major actors in the foreign intelligence sectors have

been the Department of Foreign Affairs and International Trade and the Department of National Defence.

The Canadian Security Intelligence Service was established in 1984 under the Canadian Security Intelligence Service Act. It has a specific mandate as our domestic intelligence agency. It is charged with protecting Canada's security and is to provide security intelligence respecting potential or actual threats to Canada or to Canadian citizens.

There are two principle threats to national security that CSIS was established to investigate under the authority of the CSIS act. These threats are espionage directed against Canada by foreign states and seriously politically motivated violence that can take the form of terrorism.

The CSIS act establishes a strict regime for CSIS investigations to ensure that the rights and freedoms of Canadians are preserved while protecting Canadians from these threats to their safety and security. It is evident there will be problems with the Security Intelligence Review Committee's looking at the Communications Security Establishment.

The Security Intelligence Review Committee was established specifically to review the Canadian Security Intelligence Service which, unlike the CSE, does not have a direct role in the foreign intelligence sector.

The CSIS act spells out exactly what SIRC is meant to do. The CSE mandate under its SIGINT program is the collection, analysis and reporting of foreign intelligence in the context of the government's foreign intelligence policy.

Therefore it would not be appropriate at this time to amend the CSIS act which falls under the responsibility of the Solicitor General to incorporate within SIRC's mandate an institution like CSE which after all falls under the responsibility of the Minister of National Defence, whose accountability is established through other means.

Moreover, SIRC already has a variety of investigative duties. It deals with complaints and acts as an appeal board with respect to security assessments and security influenced decisions under the Citizenship and Immigration Act.

The sensitive intelligence responsibility of both organizations needs separate and distinct oversight mechanisms. CSIS therefore is Canada's domestic intelligence agency, with SIRC which has a mandate and the expertise to oversee such activities.

CSE is a foreign intelligence organization and the skills and knowledge base required to review foreign intelligence activity is totally different.

CSE has two programs. First, it provides technical advice, guidance and service on the means of federal government telecommunications security, including aspects of electronic data processing. The elements of this program are referred to in the business as INFOSEC, information security.

The other aspect is signal intelligence, SIGINT as it is known in the business. There has been concern raised in some quarters that CSE operates without adequate accountability. It may be useful to outline in more detail what I understand to be the accountability stature of CSE in place right now.

The Minister of National Defence is accountable to Parliament for CSE. The minister approves CSE's capital expenditure, its annual multiyear operational program and, with appropriate deputy minister level consultations, approves major CSE initiatives with significant policy or legal implications.

The chief of CSE is responsible to the deputy minister of national defence for financial and administrative arrangements and to the deputy clerk, security and intelligence and counsel in the Privy Council Office for policy and operational matters. Both of these deputy ministers report directly to the Minister of National Defence for these CSE matters.

In addition, arrangements have been put in place that CSE responds to the government's foreign intelligence requirements in a manner that is lawful, effective and sensitive to changes in international relations. That is very important and it includes the following provisions.

It has an in house legal counsel from the Department of Justice and consults with senior justice officials on legal issues. It submits strategic plans and all new policy proposals for review by the interdepartmental committee on security and intelligence. It is subject to Department of National Defence administrative review mechanisms.

• (1810)

CSE operates within all Canadian laws, including the Criminal Code, the Canadian Charter of Rights and Freedoms and the Canadian Human Rights Act. Furthermore, it is fully subject to review by the offices of the Privacy Commissioner, the Official Languages Commissioner, the Auditor General and the Canadian Human Rights Commission. A broad accountability system for CSE is thus in place.

The special committee on the CSIS act, while recommending that SIRC oversee CSE, also stated it had found no evidence of abuses by CSE. Obviously the government would consider appropriate means to strengthen oversight for the CSE if a clear need were demonstrated.

CSE is an integral part of the foreign intelligence sector I have described and plays a crucial role in that sector. What it does not do, as the Minister of National Defence and the Prime Minister have already assured the House, is target Canadians. We must take care that whatever course of action we decide does not

weaken CSE's ability to support our national interest. That is the decision which faces us now.

We want to create an efficient, economical and appropriate form of oversight for this agency, one that enhances current accountability mechanisms without impeding the intended and mandated function of CSE or SIRC.

The proposed amendment by my colleague will lead us in the right direction. I look forward to the support of my colleagues in the House which I hope and believe is forthcoming.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, in relation to this motion there has been significant consultation back and forth across the House. I think you would find the consent of the House to make the following amendments.

I believe we will have the consent of the hon. member for Bellechasse for the withdrawal of his existing amendment proposed in connection with this motion; second, that the motion be restated to clarify intent and to incorporate the intent of the amendment made by the hon. member for Bellechasse.

Therefore, the amendment would read as follows. I move:

That the motion be amended by deleting all of the words after the word "should" and by substituting the following:

Establish an independent external mechanism to review the operations of the Communications Security Establishment, CSE, similar to the role played by the Security Intelligence Review Committee for the Canadian Security Intelligence Service and table a report annually in the House.

[*Translation*]

The Acting Speaker (Mr. Kilger): First of all, I would like to know whether the hon. member for Bellechasse wishes to speak on his amendment. Does he withdraw the amendment?

Mr. François Langlois (Bellechasse, BQ): Yes, Mr. Speaker, I agree to the withdrawal of my amendment the way the hon. member for Scarborough—Rouge River described it.

[*English*]

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

Some hon. members: Agreed.

(Amendment withdrawn.)

[*Translation*]

Mr. Jean-Marc Jacob (Charlesbourg, BQ): Mr. Speaker, as someone said earlier, the member for Bellechasse withdraws his amendment and subscribes to the amendment presented by the member for Scarborough—Rouge River, which we, members of the Bloc, intend to support, as I have already said.

• (1815)

Listening to the speech made earlier by the parliamentary secretary to the Minister of National Defence, I asked myself a few questions on the meaning of what the member said about the CSE being accountable to the Department of National Defence at the administrative level and to the clerk with respect to its role and its latitude, so to speak. I find it a bit strange that we count on the Department of Defence to monitor the administration of the CSE.

I made the effort to do some research in the Defence budget and I will give you a few examples which are very obvious when we find out that it was the Department of Defence which monitored the CSE.

I noted a case concerning the acquisition of a Secure Telephone System—Phase 1 for which the estimate was established at $8,824,000. When the acquisition was made, the cost rose to $14,151,000, 61 per cent higher. It was the role of the Department of Defence to monitor the CSE's administrative costs.

Here is another example. From April 1 to March 31, 1993, money was invested in a Restricted Access System for which the estimate was initially established at $23 million. When the acquisition was made, the system's cost shot up to $51 million, 117 per cent over budget. And it was still under the administrative responsibility of the Department of Defence.

One more example. On March 31, 1994, work was finished on an integrated teleinformatics network, approximately 75 per cent of which was for the use of the CSE. The projected cost was $41,650,000, but it ended up costing the modest sum of $78 million. That was also a project under the administrative control of the National Defence.

I have many more similar examples of purchases of highly sophisticated electronic surveillance or telephone equipment, software, etc. Like many other stakeholders in this issue, we have determined that the CSE was to serve the Department of Foreign Affairs, the RCMP and also the Department of National Defence, that its main function was to collect information from communications outside Canada, but that it was not ever supposed to collect information from communications happening within Canada. However, the official opposition signalled several cases where it had done so and the Prime Minister denied it at first. Afterwards, he said that orders had been given so that it would never happen again and that was corroborated by the Deputy Prime Minister and the Minister of National Defence.

The Minister of Defence also said that the CSE was under his trusteeship, and that of his deputy minister, and that no other form of control was necessary since we knew very well what was the role of the CSE, the Communications Security Establishment, and that in no way, shape or form could there ever be some

eavesdropping into communications between Canadians or within the boundaries of Canada. And now, a Liberal member presents a motion for the review of the CSE operations and the Bloc Quebecois and the Reform Party support it. I support this motion wholeheartedly and I will even add that, in my opinion, this motion is a very positive statement that should lead to the monitoring of the CSE operations. That is very important.

I would also like to add that this is only a motion.

• (1820)

Will we take the discussion further and really pass legislation to monitor the actions of the Communications Security Establishment? As I was illustrating with some examples, on the administrative level, I am not sure that the monitoring by the Department of Defence is adequate.

I have quoted four or five examples where spending of millions of dollars had almost doubled on three occasions, and more than doubled on a fourth one. When this motion is unanimously passed in the House, it will be important to follow it up and to pass legislation which will allow for the management of the administrative aspect as well as the specific role of the CSE. We will then be able to monitor its interference in Canadian communications in order to insure that it does not intrude in the private lives of citizens, parliamentarians, business executives or other prominent people who may be asked to make decisions and whom the CSE could follow closely and sometimes monitor or report on, providing information which, under our Canadian system, is not acceptable.

In conclusion, I would like to say that we support this motion. However, I would like to indicate that, unfortunately, we will have to return, in this motion, and probably in this bill, to the administrative deficiencies within the Department of Defence which the Auditor General has raised on several occasions.

When we see in the budget of the defense department that the costs allocated to the CST may vary between $200 and $255 million because Defense budgets contain some sophisticated material which will be used by the CST and for the communications of the defense department, I believe that a separation of some sort between these two elements should be integrated in the bill which will follow this motion. This will allow for a better control of the CST spending which, I believe, is sort of lost and not well administered by the Department of Defense since in the maze of acquisition of certain material too modern or ultramodern, it is impossible to say if the material is used at 100 per cent by the CST or at 20 per cent by the Department of Defense for the Navy or the Air Force.

I have read the last five year budgets and I had some difficulty understanding in each case what was linked to the CST. I believe that situation should be clarified in order to avoid that a budget be assessed at $200 or $250 million and be confronted, after an evaluation for the acquisition of material, to increases of more that 112 to 117 per cent at the time this material is acquired.

[*English*]

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, I am pleased to speak today on Canada's national security system and on the unique role played in that system by review agencies.

The amended motion before us calls for the establishment of an independent external mechanism to review the operations of the Communications Security Establishment or CSE.

I agree with the motion. It is my view that Canadians would be well served and would feel safer and more comfortable if they knew that this component of our national security system was overseen by both a cabinet minister and by an independent oversight committee.

Experience gained over the last decade with the Security Intelligence Review Committee which oversees the Canadian Security Intelligence Service may hold important lessons for the future.

The Security Intelligence Review Committee or SIRC was designed as a unique body to provide review for one particular agency, CSIS, the Canadian Security Intelligence Service. It provides an appeal mechanism as well for matters involving security clearances that are from time to time required under certain statutes.

SIRC was to fulfil its responsibilities within the framework of a national security system that is wider than SIRC and wider than CSIS and includes the Communications Security Establishment.

• (1825)

If the motion before us is to be successfully implemented, care must be taken to ensure that any new review body would have an appropriate role with respect to CSE. It must contribute as well in a positive way to what I would suggest is a delicate balance between the national interest and individual human rights, the hallmark of Canada's national security system.

In 1984 the Canadian Security Intelligence Service Act and the Security Offences Act were established. In these statutes a new legislative framework was created to govern Canada's national security system. The new legislation was designed to create the balance I talked about, a balanced and accountable system for the protection of Canada's national security interests and for the preservation of the democratic way of life of its people.

Balance must be a distinguishing feature of any new legislation involving CSE, just as it is a distinguishing feature of the CSIS–SIRC legislation. I should like to categorize some balances that we need to maintain.

First, we need to protect national security that has to be balanced by respect for individual rights and freedoms.

Second, we need to provide the service with sufficient powers to produce effective security intelligence which we should then balance by statutory controls and strong policy direction.

Third, as with CSIS there is a need to employ certain intrusive techniques. These should be balanced by the requirement for a prior authorization by a minister of the crown and the Federal Court, or at the very least that is what we do under the CSIS act.

Finally the need for secrecy must be balanced by ministerial accountability and informed independent review. The principles of ministerial control and accountability are central to Canadian parliamentary democracy. The CSIS act ensured that the Solicitor General would have full knowledge and power of direction over policy. The act also equipped the minister with the means to direct and guide the service.

There is also independent review through SIRC. Responsibility for the independent external review function was given to the Security Intelligence Review Committee that reports to Parliament through the Solicitor General. The unique role of SIRC is an innovative and important component of our national security system in the CSIS act. SIRC's review role is a cornerstone of the accountability framework established by the CSIS act and an important element of our national security system. SIRC has a mandate to review the propriety of CSIS activities with emphasis on the delicate balance between national security and individual freedom.

Given SIRC's importance as presently constituted, it is my view that it would be inappropriate to expand its mandate to encompass review of CSE. Such a change would have the effect of either diffusing SIRC's functions with respect to CSIS or of diminishing ministerial accountability.

I am certain hon. members would not wish to see SIRC's effectiveness diminished by such outcomes. To expand SIRC's mandate to review CSE would almost certainly mean increasing significantly the present number of SIRC members. This would require adding to SIRC's staff that has acquired an enviable expertise in the domain of security intelligence on a domestic basis. The skills and the knowledge base required to review foreign intelligence activity are totally different from that needed to review a domestic security service like CSIS.

We need to examine closely the significant implications of what is being proposed in the motion before us. We are not without guidance. The experience we have acquired over the past decade with the existing national security system can stand us in good stead by looking at CSIS and by looking at the roles that the minister and SIRC play in relation to CSIS. I would suggest that we look closely at those lessons and apply them to the motion before us today.

The proven effectiveness of the national security system designed more than a decade ago is an excellent foundation upon which we can build. As we consider the motion our intention should be to continue the good work that has gone before, to build on that experience, and to create satisfaction within the community and within our country that the Communications Security Establishment is also accountable.

• (1830)

The Acting Speaker (Mr. Kilger): The hon. member for Scarborough—Rouge River has given indication that he would like to have the final response under right of reply. The House must understand that no one will be able to speak to this motion after he speaks. He will close the debate because I must put the question at no later than 6.34 p.m.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, it is our hope that the motion we will pass here today will prove to be a benchmark in terms of parliamentary accountability.

Under the rubric that nobody in this Parliament does anything by themselves, I want to note a number of members who played a part in developing this matter to the present. Among them are colleagues of ours on the national security subcommittee: the member for Bellechasse, from the Bloc Quebecois; from the Reform Party, the hon. member for Surrey—White Rock—South Langley; on the Liberal side, the member for Scarborough West, the member for Windsor—St. Clair and the member for Bonaventure—Îles–de–la–Madeleine.

I also acknowledge the co–operation and participation of the Minister of National Defence and his parliamentary secretary, the member for Bonavista—Trinity—Conception. There is also the fact that the Prime Minister was not disinterested in this issue and I acknowledge his role.

I acknowledge members of the last Parliament, the national security subcommittee and in particular its chair, Mr. Blaine Thacker of Lethbridge, and various other parties, journalists both print and electronic, and other soldiers on the issue. They have worked hard to bring us to the present. Hopefully they will continue to work in this area. I thank my colleagues in the House for their support today.

(Motion as amended agreed to.)

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

MULTIPLE SCLEROSIS

Mr. Dan McTeague (Ontario, Lib.): Mr. Speaker, in my recent question to the Minister of Health, I indicated that many Canadians suffer from multiple sclerosis. In fact, 50,000 Canadians have MS. However, through medical research a number of drugs have recently been developed which have proven to be effective in the treatment of multiple sclerosis.

One of these drugs is betaseron. In the United States this drug has been used to treat certain forms of MS for well over one year. Here in Canada there are over 15,000 Canadians with MS who could benefit from betaseron.

Unfortunately, access to betaseron in Canada has been impeded because the health protection branch of Health Canada has yet to conclude its review of the drug. Betaseron is currently only available from the federal government's emergency drug release program at a cost of $17,000 or more for a year's supply.

In the province of Ontario, the provincial government recently announced that it will soon be expanding its drug funding program to help those who require expensive medication. However, while those who require betaseron would then qualify for assistance, the drug itself will not be eligible until the review has been completed.

I realize the health protection branch has specific guidelines to follow when any new drug is submitted for its approval to be distributed in Canada. Moreover, I am not suggesting that the integrity of the review process be compromised in any way, shape or form.

The reviews undertaken by the health protection branch of any new drug are vital to ensuring the safety of Canadians. Nonetheless, Canadians who suffer from MS are understandably anxious to obtain greater access to affordable betaseron. They are also frustrated by the slowness of the review, especially since the health protection branch has agreed to use the so–called fast track approach.

Berlex Canada Inc., the company which applied for the betaseron review did so back in February 1994. Yet over a year later, the review is still ongoing.

• (1835)

It was my hope from the question I asked the Minister of Health that she could provide additional information on the progress of the review of this drug. Given the important role this review plays in bringing about greater access to affordable betaseron, I know the minister would agree that the sooner this review is completed the better it will be for those Canadians who suffer from MS.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, in response to my hon. colleague, the timely approval of a new drug treatment is a concern we all share. In this context I wish to emphasize that the drug he talks about, betaseron, has not yet been approved for the Canadian market.

The drugs director of Health Canada is currently reviewing this drug on a priority or fast track basis. The manufacturer did not submit betaseron for approval in Canada at the same time as it did in the United States where the drug has already been approved. However under special circumstances, the Department of Health authorizes the sale of drugs that are currently marketed in other countries but have not yet received a notice of compliance in Canada.

When a medical emergency exists and standard therapy is ineffective in treating the condition, some drugs, including betaseron, can be made available through the Health Canada emergency drug release program.

While safety is the primary concern for Health Canada, the Patented Medicine Prices Review Board is responsible for regulating the prices of patented drugs. The board's jurisdiction applies not only to patented drugs sold under a notice of compliance, but also to those drugs sold under the emergency drug release program.

Betaseron is a patented medicine. Therefore, the price of this product is being reviewed by the board.

In conclusion and in response to my hon. colleague, I wish to assure him that Health Canada's drug approval process is aimed at ensuring that safe and effective medicines are made available to all Canadians in the most efficient and quick manner possible. Every effort has been made to expedite the review of betaseron without jeopardizing the health and safety of Canadians suffering from multiple sclerosis.

[*Translation*]

ADVISORY COUNCIL ON THE STATUS OF WOMEN

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, on March 16, I asked the Deputy Prime Minister how she could justify abolishing the Canadian Advisory Council on the Status of Women. My amazement and that of many women's groups at the government's decision was caused by the fact that this agency is known for its excellent research in areas of concern to women.

As you know, the CACSW also analyzed the impact of policies and legislation on the status of women. Furthermore, it had acquired an excellent reputation as an independent agency that, although it was largely dependent on public funding, managed to maintain an arm's length relationship to government.

In reply, the Deputy Prime Minister mentioned the following to justify her government's decision, and I quote: "Women's councils across the country were telling us that they were in a better position to do political analyses than people appointed by order in council". This reply was surprising on two counts. First, I will deal with the so–called preference expressed by women's groups for doing their own political analyses.

I urge the Deputy Prime Minister to reveal the names of these groups to the House. My request is perfectly reasonable, since all the reactions we have heard so far would indicate that the opposite is true. Whether we are talking about the Fédération des femmes du Québec and its affiliates or the groupe relais–femmes of the Association des collaboratrices et partenaires d'affaires, whether we are talking about the biggest national women's organization in Canada, the National Action Committee on the Status of Women, better known as NAC, the AFEAS, the University of Ottawa and Carleton University, grouped under the aegis of the joint department of women's studies, and finally, about certain editorial writers, they all regret the decision made by the Secretary of State for the Status of Women and her government.

So where are the groups that supported the government when it announced this decision? Women's groups and the official opposition would be very interested to know who these groups are.

They also want to know where the funding needed to resume research will come from. The government may have claimed that it decided to merge three agencies in order to save one million dollars, but when we realize that the budgets of existing organizations will not be increased in any way, we have every right to ask where the money needed for research will come from and where it will go.

• (1840)

In concluding, I must mention the other reason given by the Deputy Prime Minister in answer to my question. She said it was important to let research be done by people who were not appointed by order in council.

We were absolutely flabbergasted. The question automatically comes to mind whether the present government intends to get rid of all organizations and councils whose board members are appointed by order in council.

There will be a revolution. One also wonders how open–minded her department will be when research findings fail to reflect what this government wants in terms of progress on issues concerning the status of women.

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the amalgation of the Advisory Council on the Status of Women and Status of Women Canada took place as the result of a program review undertaken by the government. Aimed at streamlining government operations, eliminating overlap and rationalizing resources, the program review looked at the three principal government agencies concerned with women's equality: Status of Women Canada, the equal opportunities for women program of Human Resources Development Canada and the Advisory Council on the Status of Women.

We considered that an amalgamation of the three would, for the government, provide the best opportunity to concentrate and reinforce its ability to promote women's equality. Furthermore, by creating a single window, this amalgamation would improve communications and interaction between government, women and their associations. The rapports enjoyed by the equal opportunities for women program at the local level with women's associations will permit a direct link between the people and the policy development process.

Transfer of the communications and research functions of the advisory council to Status of Women Canada will reinforce these bilateral exchanges. It will also eliminate the expense of a number of order in council appointments.

NATIONAL DEFENCE

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, on March 14, I asked the Minister of National Defence about the dwindling enrolment in the Saint–Jean Royal Military College. His reply, which surprised me, was extraordinary because of its contradictory nature.

In fact, in the first part of his reply, the minister says that the state of the economy is causing enrolment to decline. A far-fetched argument which does not jive with reality or with the history of Canada's three officer cadet colleges, because during an economic crisis the proportion of enrolment requests for officer colleges compared with the number of requests to become a soldier changes. As usual, the minister is trying to compare apples to oranges.

In the second part of his reply, the minister really went too far by blaming the weak enrolment on the official opposition and the Government of Quebec.

I think it is time to render unto Caesar what is Caesar's. I will explain. On February 22, 1994, the Minister of National Defence announced that the Saint–Jean Royal Military College and the Royal Roads of Victoria would be closed under the pretext of savings, although, of all three colleges of the kind, the Saint–Jean Royal Military College was the least expensive to run.

The day after, on February 23, the minister shed crocodile tears over the closure of Royal Roads and the Saint–Jean Royal Military College and said that it was necessary to close them for the good management of national defence. If this really were the case, neither the Government of Quebec, which was Liberal then, nor the official opposition could have had any influence whatsoever on this decision. The decision to close the Saint–Jean Royal Military College was and still is entirely in the hands of the Minister of National Defence. He should stop playing

childish political games and assume full responsibility for the decision he and his government have made.

The defence minister and the Minister of Intergovernmental Affairs are really laying it on thick when they try to blame the Quebec government and the Bloc Quebecois. Many English–speaking officers have already pointed out that it was a bad decision. Those who make a bad decision and are not mature enough to accept responsibility for it blame others, as the minister is doing.

• (1845)

Furthermore, the minister contradicts himself in his March 14 responses. In his first answer, he says that recruitment is down because the economy is buoyant, adding that "the normal group of people who would be attracted to the armed forces has found other options". In his second answer, he says that "because of the uncertainty surrounding the disposition of the site of the former college at St–Jean, the advertising—was delayed a number of weeks—[but] recruitment is picking up".

The buoyant economy given as one of the reasons for declining enrolment in his first answer does not appear in his second answer. This buoyant economy must have been very fragile since it only lasted two minutes. For example, the Minister of National Defence also says, at the end of his second answer, and I quote: "Twenty seven per cent of members of the armed forces are francophone and fully 24 per cent of all senior officers are francophone". A senior officer is not a corporal or a sergeant, but a colonel, a lieutenant–colonel, a brigadier–general, a major–general, a lieutenant–general or a general.

Only 14.7 per cent of generals and 21 per cent of colonels are French–speaking. I wonder where the minister's figure of 24 per cent comes from, unless he is referring to non–commissioned officers. This shows once again that the minister says what he pleases, without bothering to check the facts.

In conclusion, the minister is inviting me to visit the department and the Headquarters here in Ottawa, and see for myself that people work in French as well as in English. I ask the minister to stop making fun of French–speaking Canadians by uttering such nonsense. I did visit the department on several occasions and what he says is not true, nor is it true as regards the Kingston College, which is not bilingual and which will not become so.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Veterans Affairs, Lib.): Mr. Speaker, I would like to stress that Canadian Forces have always recruited French–speaking personnel and that they continue to do so. Our latest statistics show that about 27 per cent of members of the Canadian Forces are French speaking compared to 15.8 per cent in 1966. This is a substantial improvement. Also, about 24 per cent of commissioned officers are French speaking.

As the Minister of National Defence was saying in this House a few days ago, recruitment for the training program of regular armed forces officers is lower everywhere in Canada and not just in Quebec. In the case of Quebec, the uncertainty surrounding the closure of the Royal Military College in Saint–Jean, uncertainty created by the refusal of the Government of Quebec to accept the umbrella agreement of July 19, 1994, has certainly played a role in the fact that we did not meet our recruitment objectives.

The new institution, which will be born when this agreement between the federal government and the Saint–Jean region is signed, will offer preparatory courses to about 100 officer cadets, French speaking and English speaking. In order to meet its objectives regarding the proportion of French speaking officers, the Department of National Defence has extended the recruitment period for the training program until the end of April. We believe that it is still possible to attract the required number of recruits and that we will meet our objectives.

I would like to stress that the recruitment campaign is not over yet and that it is still too early to draw final conclusions. I would also like to say that future French–speaking officer cadets will receive a very high level of education, in the language of their choice, at the Canadian Military College in Kingston.

[*English*]

LAND CLAIM

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Mr. Speaker, I rise today to address an issue which was brought to my attention the morning of March 17. It was reported that the Six Nation Indian Band has recently filed a lawsuit against the province of Ontario and the federal government. The suit reportedly seeks compensation for lost land, money from land sales, revenue from mineral rights, money taken from trust accounts and compound interest on these amounts dating back to 1784.

• (1850)

A chief councillor of the band estimated the total lawsuit claim at about $400 billion. Let us put this legal suit in perspective. $400 billion is about 80–some per cent of the total current federal debt. The Six Nation Band is also seeking an inquiry and demands detailed accounting for all transactions involving assets, funds and real estate since 1784 to present.

During question period on Friday, March 17 I asked the government for clarification on this issue with the specific intent of discovering whether the federal government was going to finance the Six Nation reserve lawsuit.

I was told on Friday that my question would be taken under advisement and a response would be coming from the appropriate minister. I have made inquiries at the office of the minister of Indian affairs and I have been assured that a response would be available yesterday or at the latest today.

To this moment, I have yet to receive a response. This is a very serious court challenge and I am astonished that the government, considering $400 billion estimate, was unable to respond to my question on Friday. I am shocked by the fact that I have yet to receive a response from the minister's department as I was promised. However I suppose this is typical of how the government and many provincial governments have been dealing with native issues. They prefer the response of simply no response.

Questions are left unanswered. Public debate is quashed. Negotiations are held in private and the taxpayer is left to pick up the bill. The taxpayers of Canada are seeking accountability. They want to know what these land claims will cost. They want assurance that the programs of Indian affairs will be reformed and altered to make them more effective.

They want to know how the government can proceed with a self–government and land claims settlement agenda without first giving a clear indication of how much these land claims will cost, how much land is involved and clearly defining the term inherent right to self–government.

These questions have been asked in the House and are yet unanswered. It is time for this Liberal government to come out of hiding and reveal to the Canadian people its actual agenda in respect of native land claims and self–government. Canadians deserve no less.

In conclusion, the Department of Indian Affairs has sacred cow status among Liberals. I point to the recent budget as evidence of this claim. I have no fear in taking up the dagger of accountability and leading this sacred cow to the altar of public scrutiny in order to determine exactly where these billions and billions of dollars in the Department of Indian Affairs go.

On behalf of the Canadian taxpayer, I will continue to press for clear and precise answers with respect to the expenditure of public money concerning native issues. Finally, I will press this case in the House, in the media, in my riding and wherever there is a concerned Canadian about how federal tax dollars are spent.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I am pleased to respond to the hon. member for Prince George—Bulkley Valley on behalf of the Minister of Indian Affairs and Northern Development.

The hon. member has inquired whether the department has advanced funds to the Six Nations for a legal action against the province of Ontario and the federal government. Our hon. colleague from Haldimand—Norfolk has also expressed a real interest in this issue.

I would like to first of all answer the very specific question posed by the hon. member. No funds have been provided to the Six Nations by the federal government for this legal action. I would now like to provide some clarification.

The Six Nations Band served Canada with a notice of intention to commence an action against Canada and Ontario in December 1994. No statement of claim had been formally filed against Canada as of March 20, 1995, yesterday.

Based on the notice of intended action the litigation deals with alleged breaches of fiduciary duty on the part of Ontario and Canada. These alleged breaches are in relation to land transactions dating from the Haldimand land grant to the Six Nations in 1784, as the hon. member said, and extending to the present day.

The matters now in litigation have been the subject of approximately 24 specific claims which the Six Nations have been pursuing with Canada. No dollar amounts for damages are cited in the notice of intended action and no information has been provided to substantiate the estimated $400 billion quoted by the hon. member.

The Six Nations have apparently chosen to pursue litigation rather than negotiate the outstanding specific claims. Under the specific claims policy, claims cannot be pursued in court and considered under the claims policy at the same time. The board has been informed that all Six Nations claims had to be held in abeyance and that the files would be closed.

Since 1982 Canada has funded the Six Nations Band under the native claims contribution program. The program provides research funding to bands to allow them to pursue claims under the specific claims policy. Until the filing of the notice of intended action in December 1994 there was no indication that the band did not intend to proceed under the specific claims policy to resolve its grievances.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38 the motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.56 p.m.)

HOUSE OF COMMONS

Wednesday, March 22, 1995

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

RACIAL DISCRIMINATION

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, in 1966 the United Nations declared March 21 the International Day for the Elimination of Racial Discrimination. Since 1988 this date has been officially recognized and celebrated in Canada for this purpose.

While that date has passed, it is important for us all to remember that the purpose of this day is to promote racial tolerance and understanding. There is no place for racism in Canadian society. Prejudice and discrimination are problems that must be acknowledged and addressed. They must be stamped out. As Canadian citizens, we must take individual responsibility in the elimination of racism and racial discrimination.

Our greatest legacy to the world, if we so choose, is to develop a model bilingual and multicultural society where each Canadian is valued, where each and every one of us learns to work and celebrate together in a spirit of harmony and unity.

* * *

[*Translation*]

TRIBUTE TO JACKIE ROBINSON

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, in October 1945, Hector Racine, then president of the Montreal Royals, announced that Jackie Robinson was joining his baseball team. This signalled the beginning of the end of racial segregation in American and Canadian professional sport.

Yesterday, as we marked the International Day for the Elimination of Racial Discrimination, Montrealers paid tribute to Jackie Robinson, the first black to play baseball professionally.

Mr. Robinson played one year with the Montreal club, in 1946, before joining the Brooklyn Dodgers for a remarkable professional career.

On behalf of all those who remember Jackie Robinson, I would like to pay tribute once again to this great adopted son of Montreal, who led his team to victory in the international league in 1946.

* * *

[*English*]

JUSTICE

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, a gentleman, a hard working fellow cannot sleep one night. He decides that rather than twist and turn in bed he would get up, go to his jewellery store in a small Ontario town and get a head start on the day's work.

It is dark at 3 a.m. The 81–year old jeweller is quietly working in the back of his shop when suddenly a loud crash startles our law–abiding shop owner. His heart stops as he turns and sees two young, strong vandals coming in through the broken window in the front of his shop.

He is frightened. He worries about physical harm and that his private property will be stolen. The frightened shop owner reaches for the revolver which has been inside his shop for many years. Out of fear for his personal safety he fires it to scare away the vandals.

The next morning the elderly shopkeeper has more to worry about. He is now the criminal. He is now facing charges far worse than those who were attempting to rob or possibly injure him. The law says he has no right to protect himself or his possessions.

Welcome to Canada in the 1990s. Just hope you never have to protect yourself, your family or your property. Nineties justice will say you are the criminal.

* * *

AGRICULTURE

Mr. Vic Althouse (Mackenzie, NDP): Mr. Speaker, in the budget the government decided to pay western landowners $1.6 billion as a partial offset to the decline in farmland values that will result from the abandonment of the Crow benefit and the Crow rate.

The minister of agriculture has decided in his wisdom to include summer fallow in the calculation for the payment but not the 10 million acres or more of cultivated lands that are seeded to forage crops for hay and seed production. The rationale for this breathtaking leap of logic seems to be that grass seed was not listed in the Crow benefit schedule.

Could the minister explain his version of fairness to one of my constituents who cash rented a half section from an uncle, seeded it to alfalfa and has been producing seed? How does my constituent tell his uncle that his land is not eligible for a payout because his nephew seeded it to alfalfa?

The uncle knows his land will lose just as much value as the land across the fence which is not in alfalfa but there is no compensation for him. How is that fair?

* * *

LEARNING DISABILITIES MONTH

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, on behalf of the Learning Disabilities Association for Newfoundland and Labrador, I would like to remind all Canadians that this is Learning Disabilities Month. As a former volunteer with the association in St. John's, I understand and appreciate the work the organization undertakes.

It is estimated that one in ten Canadians suffers from a learning disability ranging from mild to severe. They have trouble receiving information through the senses and transmitting that information accurately to the brain. It is much like a bad telephone connection or a fuzzy photograph.

Students young and old who live with a learning disability are able to achieve if given the right help. When assisted they can become productive and valued members of society. Without assistance, the social costs are high.

I am pleased to be able to take this moment to commend the Learning Disabilities Association of Newfoundland and Labrador and all community organizations for the many hours they have spent to make a difference.

* * *

• (1405)

[*Translation*]

THE ENVIRONMENT

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, last Saturday at a symposium the Quebec Minister of the Environment stated that Quebec's environment would be better protected if the province withdrew from the absurdity of the federal regime.

In 1990, when he was federal environment minister, the leader of the Bloc said: "A sovereign Quebec will not be able to solve its problems alone, any more than Canada could find a solution to the problem of acid rain on its own, without negotiating with the United States. Nationalism has no place in a global issue—".

How does the Leader of the Official Opposition intend to reconcile his earlier position with the statement of the Quebec environment minister?

* * *

[*English*]

RAIL STRIKE

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, the rail line system in Canada is the prairie farmer's lifeline. Over the past week we have seen that lifeline severed by strikes and by the stalling tactics of the NDP and the Bloc.

I appeal to those parties to take a long hard look at what they have done to Canadian farmers. They have robbed farmers of $100 million in lost revenues this week. Neither farmers nor the Canadian economy can afford these losses.

This government has clearly demonstrated its commitment to prairie farmers by introducing back to work legislation. I commend the Minister of Labour for the leadership she has shown, for her dedication to ending this strike immediately, for doing everything within her power to get grain moving again. Madam minister, prairie farmers owe you a debt of gratitude.

I urge the NDP and the Bloc to co–operate in the process to let the government end the strike for the benefit of all Canadians who depend on the rail service.

The Speaker: I would ask all hon. members to please address the Chair directly.

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[*Translation*]

SENATOR PIETRO RIZZUTO

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, the promise made by Senator Rizutto, the Prime Minister's election organizer, is still fresh in our minds. He told all the Liberal candidates who were defeated in the last Quebec election: "Do not worry, we will find jobs for you".

Like the Liberals say, a promise is a promise. Céline Hervieux–Payette, who had been a roving candidate for the Liberal Party for over a decade, is now set up in the Senate. Some may argue she is more deserving than the others, having bitten the dust on three occasions—in 1984, 1988 and 1993—in various Montreal ridings.

In her new job, she will have plenty of leisure time to devote to party politics and backstage manoeuvring. One has to find something to do: 20 years in the Senate is a long time.

Senator Rizutto's promise will cost the Canadian taxpayers nearly $2 million if you add up bonuses, incidentals and inflation for the next 20 years. It pays to be defeated when you are a Liberal.

[*English*]

ABORIGINAL AFFAIRS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, the member for Skeena and I and 13 host MPs completed an aboriginal town hall series in B.C. last week. This included eight communities and attracted over 1,600 people.

We delivered a distinctly different and welcomed point of view to the public. Many British Columbians are concerned that none of the negotiating parties in the process is vigorously representing non–native interests and that the process is secretive. Additionally, the total cost of the settlement based on recent leaks would be at least $8 billion and may exceed $18 billion.

Federal responsibility for treaty Indians is clearly established and there is also a federal obligation to ensure public interest is met. The current process is built on sand and will fail. Fundamental change is needed to create modern treaties that are affordable and lead to native self–sufficiency, finality of negotiations and equality of Canadians.

* * *

RAIL STRIKE

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, Canada's economic recovery is being threatened by a nationwide rail shutdown.

We believe in the process of collective bargaining, however it is clear the negotiations have not worked. Since Monday our government has worked diligently to get the trains moving again, only to be opposed by the official opposition party which is playing self–interested political games which have harmed our national economy.

Now is the time for action. In my riding of Annapolis Valley—Hants major companies such as National Gypsum rely on rail transport to ship their products and meet their deadlines. For these companies the rail shutdown has severely harmed business and will threaten many jobs.

• (1410)

For the sake of the commerce of Annapolis Valley—Hants and across the country, I urge parties to support our efforts to bring an immediate end to this dispute.

* * *

RAIL STRIKE

Mr. Alex Shepherd (Durham, Lib.): Mr. Speaker, the people of Durham and Oshawa are concerned over the continuation of the rail strike.

I have spoken today with General Motors and understand that both its inbound and outbound production systems are close to being curtailed. This will affect the jobs and the economy of the whole region.

When I see the main reason for the Bloc Quebecois' blocking the passage of this legislation is clause 12 regarding the importance of economic viability and competitiveness, I know it is the party of the status quo. Some of the collective agreements still include blacksmiths.

It is the party that does not want change. It is afraid of the 21st century and wants to cling to the past. It is so rigid that it would force people across this country to lose their jobs and livelihood so that the traditions of the past can be maintained.

This is really where the Bloc wants to go, not into the future but back to the 19th century. The people of Canada do not want to go.

* * *

RAIL STRIKE

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, the rail dispute is a direct economic threat to the auto, petrochemical and manufacturing industries so important to Canada and particularly to my riding of Bramalea—Gore—Malton.

The NDP and the Bloc are needlessly prolonging this strike, a position that is clearly a threat to the economic recovery now under way. The NDP supports the right to collective misery. The Bloc must not allow its separatist agenda to put a stranglehold on Canada. All Canadians will suffer.

I urge the Bloc and the NDP to end grandstanding and allow the trains to roll.

* * *

[*Translation*]

THE LATE CLAUDE DUCHARME

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, we were dismayed to hear about the passing of my friend Claude Ducharme who died yesterday in Paris, where he was attending a union convention. Mr. Ducharme was vice–president of the FTQ, head of the Quebec chapter of the Canadian Auto Workers and member of the board of directors of the FTQ's compensation fund.

He espoused the cause of the workers and fought relentlessly for the implementation of decent working conditions. Fernand Daoust said of him that he was a great unionist who helped give the union movement a respectable and credible image.

All the members of the Bloc Quebecois join me in extending their deepest sympathies to Mr. Ducharme's family and thank him for having devoted himself with so much conviction to the well–being of Quebec workers.

[*English*]

HISAYA OKUMIYA

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, on behalf of members and all Canadians I would like to express our deepest sympathy to the Okumiya family of Edmonton.

On March 14 while playing with two friends, 11–year old Hisaya Okumiya fell through the ice of Mill Creek. Emergency personnel and divers were brought in to search for the young boy, without success. The official search was eventually called off.

Determined to find his son, Mr. Okumiya continued his search alone, tirelessly picking away at the ice. His efforts were soon joined by upward of 40 volunteers, police, firefighters and city workers who on their own time helped in the search. On Tuesday morning the body of Hisaya was found.

While there are no words that will ease the grief members of the Okumiya family are feeling today, perhaps they will find some comfort in knowing that the thoughts and prayers of all members and indeed of all Canadians are with them. May I also express our sincere appreciation to the people of Edmonton who pulled together to help the Okumiya family in its time of distress.

* * *

BUSINESS STUDIES COMPETITION

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, I want to congratulate seven high school students from my riding who recently were named to represent Ontario at DECA, the premier academic competition in North America for high school business students.

The Markham students who qualified through the provincial competition are Maha Hussain, Julie Ward, Alyson Pownall, Seung–Oh Chung, Ian Tien, Chris Vollmar and Rebecca Habashy. These elite students will now compete for top honours at the North American competition to be held in St. Louis, Missouri from April 28 to May 2.

The competition in St. Louis will feature 10,000 of the best business studies students across America. It is a showcase for student achievement and progress. These Markham students will compete in a series of oral and written examinations in numerous academic areas.

• (1415)

On behalf of all members of the House I wish these students success. I am quite sure these young women and men will represent our country well in the competition.

PRESENCE IN THE GALLERY

The Speaker: Colleagues, I would like to draw to your attention the presence in the gallery of the Hon. Janet Reno, Attorney General of the United States of America.

ORAL QUESTION PERIOD

[*Translation*]

RAIL TRANSPORT

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, my question is for the Prime Minister.

Conciliation commissioner Hope's report clearly states that the main cause of the rail dispute is the attitude of the railway companies which, throughout the negotiations, refused to give any consideration whatsoever to union demands. It says that, at most bargaining tables, union demands did not receive any consideration, even though it is clear that these demands are serious and have merit.

My question to the Prime Minister is this: Why is the government so intent on rejecting at all cost the official opposition's offer to settle the rail dispute very quickly while respecting the rights of workers, who could not be heard? Why is the government so inflexible toward the workers?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, Bloc members seem to be overlooking the whole process. Negotiations in this sector have been under way for over a year, first with a conciliator and then with a conciliation commissioner.

We stand before a fait accompli: Railway operations are completely paralyzed. This has a huge economic impact from coast to coast. Even in Quebec, more plants shut down today. I am asking the Bloc Quebecois to be a little more sensitive to Quebec's economy, if they are unable to be sensitive to Canada's economy.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I wish to remind the Minister of Labour that if she wants to settle the dispute without trampling on workers, we are ready to co–operate right now.

It is not the official opposition but the conciliation commissioner who said that union demands did not receive any attention. The minister should read his report before opening her mouth.

Does the government's insistence on imposing diminished working conditions on CN workers at all cost mean that its intention to privatize CN is forcing the government to settle the matter of working conditions quickly and at workers' expense, in order to attract potential investors?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, let us look at the facts. We should try to stay neutral in this dispute—and I think that is what the government is trying to do—and avoid siding with either the unions or the employers. I think it is up to them to negotiate their collective agreements. We want the unions to participate in the collective bargaining process as well.

Let us be realistic: Kruger is closed, while Bécancour, Alcan and Petromont are in the process of shutting down. Let us do something, Mr. Speaker.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, how can the Minister of Labour say so candidly that we should let the parties negotiate among themselves? That is exactly what our proposal calls for. We should let the employees go back to work and negotiate with their employers. That is what we are asking the minister. Did the minister not understand any of this?

• (1420)

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, I wonder who does not understand anything in this case. Negotiations have been under way for over a year in this matter. All the Bloc Quebecois can do is tell me to forget about results, offer to talk some more and ask for mediation.

This government wants to achieve results. We are currently facing a major crisis from coast to coast and the government has a responsibility to take action instead of simply talking and trying to avoid the real problems.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Prime Minister. Obviously, the government's commercial and financial interests are directly affected by the CN strike. Indeed, in spite of the Prime Minister's claims, with the rapid imposition of less favourable working conditions, CN's market value is much higher in case of an eventual sale.

If the Prime Minister is serious when he claims that the government's commercial interests do not have priority over the rights of workers, why does he still reject the official opposition's proposal, considering that a negotiated settlement is much better than an imposed agreement?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have nothing to add to the comments made by the Minister of Labour. Negotiations went on for months and now there is a strike. Thousands of jobs are affected throughout Canada and that strike causes serious injury to our country's economy. Our government is not concerned about its own economic interests, but about those of Canadians, including manufacturers of goods and agricultural producers, who must ship their products to market. This is our top priority and it will not change.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, since Monday, we have been proposing conditions which would ensure a quick return to work. Considering that conciliator Hope states in his report that there is collusion between the government and the employers, how can the Prime Minister claim that the arbitration commissions will do justice to the workers, since two of the three members will be appointed by the government and the employers?

[*English*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the hon. member is quoting from a conciliation report that did not resolve the problem. She is asking us to enter into conciliation again, to have 60 more days of that. We have been in a strike situation now for many days. We will start over in 60 days? No way. They have to go back to work right now.

* * *

THE ECONOMY

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, today a meeting is supposed to take place between the Government of Canada and Moody's, the bond rating agency, to discuss Canada's credit rating.

Will the finance minister tell us when that meeting will take place, where it will take place and who will be representing Canada at the meeting?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the meeting is taking place today. It has already begun. The officials from the Department of Finance will be there and I will be meeting with the agency later.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, Canadians have a right not only to know who is representing them at that meeting but what they are going to be saying. If no timetable or plan is presented for deficit elimination as distinct from deficit reduction, our credit will be downgraded, our dollar will fall, our interest rates will rise and thousands of Canadians will be hurt.

Who is talking to Moody's and what are they saying about deficit elimination? Canadians have a right to know.

• (1425)

Mr. Speaker: Colleagues, I am having a little bit of difficulty hearing and understanding the questions at this end of the Chamber.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I understand the difficulty the leader of the third party has thinking up three different questions.

I answered his first question. The officials of the Department of Finance are meeting with the agency and I will be meeting with the agency. I have not yet met with them. I will be doing so this afternoon.

Therefore it is quite difficult for me to tell the leader of the Reform Party what took place in that meeting because it has not taken place. You see, there is an order, Mr. Speaker.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, my question was quite simple.

When the minister meets with Moody's is he going to present a plan for deficit elimination? If he is going to do that, why does he not present that plan to the House and to the Canadian people, not simply to an American bond rating agency?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I responded to this question yesterday. I made it very clear the government's ultimate objective is to go to zero. I also made it very clear, and I will be confirming this to Moody's, we are going to be doing this with a series of short term targets because we feel it is the best way to get there.

I also told the leader of the third party yesterday that we would be not talking with the doom and gloom he likes to indulge in but about our productivity record, our inflation record, our job creation.

There is something I did not say yesterday because the information was not out. The volume of exports in January was up 3.3 per cent. This is the eighth consecutive increase and the trade balance has again set a new record.

Some hon. members: Hear, hear.

Mr. Speaker: I love these Wednesdays.

* * *

[*Translation*]

FISHERIES

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is directed to the Prime Minister. Half a dozen Spanish ships are now on the nose and tail of the Grand Banks off Newfoundland, fishing for Greenland halibut or turbot, despite the moratorium requested by Canada. Both Canadian and Spanish armed vessels are now patrolling this area.

Since the Canadian government has stated repeatedly that it would resort to seizures again if necessary, could the Prime Minister indicate what his government intends to do to make Spanish ships stop fishing on the nose and tail of the Grand Banks off Newfoundland?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, yesterday I had a chance to speak to President Santer of the European Union, and Prime Minister Gonzalez of Spain. Mr. Santer had indicated earlier that he hoped we would be able to negotiate a settlement to the dispute as soon as possible. That is what we intend to do.

It is true a number of ships are fishing at this time. There were 49 and now there are six. Yesterday I spoke to Mr. Gonzalez, and I told him to ask the Spanish fishermen to withdraw, because we have ordered our own fishermen to stop fishing and the same should apply to Spanish fishermen. I will be talking to Mr. Gonzalez again later today. Canada takes the position that a settlement should be such as ensure that in the future, fishing regulations will be complied with both outside and within the 200–mile zone. That is our goal, and in the interest of conservation we hope to attain it as soon as possible.

• (1430)

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, although apparently there was a cordial exchange between the Prime Minister and Mr. Gonzalez, would the Prime Minister agree that this defiant gesture by Spanish ships is a blow to the Canadian government's strategy for resolving the dispute with the European Union?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, at the present time, I think I would rather talk to Mr. Gonzalez and Mr. Santer, and try and find a way out of this. This is a problem that has existed for some time. We took an historic step a few days ago, and we now want to give negotiations a chance. I hope Mr. Gonzalez will be able to convince the fishermen to stop fishing so that a solution can be found.

If there is no change in the situation within the next few days, we will have to see what we can do.

* * *

[*English*]

LABOUR

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, a one–week shutdown of our railways means an immediate short term loss of $3 billion to $5 billion including $1 billion in exports.

Canada's international reputation is damaged yet again by the 15th strike in 15 years with long term costs. At a time when Canada faces a credit downgrading by Moody's, will the Minister of Labour commit to a permanent solution with a final offer of settlement for essential services?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are looking into the problem. We have had some strikes that have caused a lot of damage to the Canadian economy. We are looking to find a way so that we will not be trapped in this situation all the time.

We have given the right to strike. On some occasions we have accepted some strikes because the situation was justifiable, but at this time the combination of strikes is too much for the

Canadian economy to take. This is why we have a bill before the House. We hope it will be passed by the end of the day so that work can resume as soon as possible.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I can understand the governing party is having trouble handling the situation but the Canadian people do not have any patience with it. We have had 15 strikes in 15 years.

My supplementary question is for the Minister for International Trade. Forty per cent of Canadian exports depend on railways to move to market. The government's inaction on the issue last week led to significant financial losses for exporters.

Will the Minister for International Trade impress upon his colleague, the Minister of Labour, that Canada cannot afford further damage to our reputation as a reliable supplier?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Government of Canada has indicated very clearly its position. If we had not been faced with the opposition of the Bloc and the NDP, the bill would have been passed yesterday. We will do everything possible for the bill to be passed today.

* * *

[*Translation*]

NATIONAL DEFENCE

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Minister of Defence.

Yesterday, the Minister of Defence announced the creation of a commission of inquiry on the deployment of the Canadian Forces to Somalia. However, despite repeated requests from the official opposition, the minister refuses to broaden the commission's terms of reference to include other troubling events that have occurred at the Petawawa base.

How does the minister explain that the commission's terms of reference cover only the deployment of the Airborne Regiment in Somalia and that they contain no other provision regarding other events that have occurred at Petawawa and that have considerably sullied the reputation and the honour of the Canadian Forces?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we called the inquiry as promised to deal with the very serious problems that occurred when our troops were deployed to Somalia some two years ago.

The inquiry is public. It is headed by a civilian, a Federal Court judge, and will look into all aspects of the deployment to Somalia.

If the hon. member has other troubling questions that he would like to pose with respect to any other aspect of the armed forces, he should be specific, do it in the House, write to me or put an order paper question down, and I will be pleased to answer.

We are not going to have an investigation or an inquiry into every aspect of the Canadian Armed Forces and the Ministry of National Defence. We are restricting the inquiry to the events of 1993, the deployment of Canadian troops to that theatre.

• (1435)

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, given that the minister undertook to bring all of the despicable events at Petawawa to light, are we to understand that the initiation rites and the display of the flag symbolizing white supremacy and the banner of the Klu Klux Klan openly and with the knowledge of senior officers constituted preparation for the mission to Somalia and will therefore be investigated?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, if there is anything in the preparation of the Canadian airborne regiment for its duty in Somalia that needs to come to light, it should be investigated by the inquiry.

The terms of reference are exceedingly broad. The three commissioners are civilians of great repute. I have no question in my mind that they will get to the bottom of any question the hon. member has or the Canadian public has.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, I am pleased that the Minister of National Defence has seen the wisdom of conducting the Somalia investigation under the Inquiries Act rather than the National Defence Act.

My concern now is for members of the Canadian forces who may have pertinent information but hesitate to bring it forward for fear of career implications.

What provisions has the minister made to protect such individuals?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we are dealing here with a very serious matter. We have an inquiry under part I of the Inquiries Act.

Any Canadian with any evidence has a right and a duty to come forward to that inquiry and no impediment must be put in his or her way.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, the minister did not exactly answer my question.

I have a supplementary question. Should the inquiry reveal that events involving the airborne regiment in and around

Somalia resulted from individual rather than systemic problems, will the minister reinstate the regiment?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I am a little frustrated. For a year now members of the opposition have asked for a public inquiry into these matters. They have their inquiry. Will they please let the commissioners do their job and report, and then we will look at it.

* * *

[*Translation*]

BANK OF CANADA

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, yesterday, the senior deputy governor of the Bank of Canada, Bernard Bonin, set a dangerous precedent when he endorsed the analysis and conclusions of a prereferendum study carried out by the C.D. Howe Institute which concluded that Quebec's separation would provoke a serious economic upset and a capital drain which would force Quebec to mint its own currency.

Does the Minister of Finance feel that it is proper for the senior deputy governor of the Bank of Canada to become publicly involved in a political debate?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, all the senior deputy governor did was mention a very well done study on a topic being debated.

I must admit that I am very surprised that the first francophone to occupy this position in the history of Canada has been attacked by the Bloc critic. Personally, I intend to defend Bernard Bonin.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, the question is so important and serious that I will direct my supplementary question to the Prime Minister.

Does the Prime Minister, who as he said yesterday is the only one to have access to the ethics counsellor, intend to submit the case of the senior deputy governor of the Bank of Canada for an opinion and then report to the House on this important, serious and grave issue?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, I believe that the Bloc should listen to the message instead of attacking the messenger.

I am a little disappointed to hear what the opposition critic, who, by the way, is an honest man, has to say. The separatists have threatened to refuse to have anything to do with the banks or currency traders that tried to make economic forecasts regarding separation, they have stated that in their view allophones should not have the right to vote, and they rejected outright the C.D. Howe Institute's and Marcel Côté's analyses.

The truth is that all that the Bloc and the Parti Quebecois want is a monologue where the only voice which will be heard is their own.

* * *

[*English*]

PUBLIC SERVICE

Mr. Ian Murray (Lanark—Carleton, Lib.): Mr. Speaker, my question is for the President of the Treasury Board and concerns pay equity.

Now that he has reached an agreement with the Professional Institute of the Public Service, is the minister prepared to try to reach an agreement with the Public Service Alliance of Canada which represents most of the lower paid public servants, many of whom are women?

• (1440)

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the government is solidly committed to equal pay for work of equal value. We demonstrated that when after many years of failed attempts we were able to reach an agreement with the professional institute with respect to pay equity for nurses, dietitians, occupational and physical therapists.

In relation to the public service alliance, we have had some informal discussions to this point. I would welcome more formal negotiations to try to bring about a resolution of the matter.

We now have a new methodology as provided through this latest of negotiations. We are committed to continuing on the path of bringing about pay equity within the public service.

* * *

THE SENATE

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, following yesterday's announcement of two more patronage appointments to the Senate, has the Prime Minister completely abandoned any thought of having elections to the Senate? Has he forgotten his red book promises of openness and fair play on how we choose our political representatives?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I was totally in favour of having elections to the Senate and the Reform Party opposed it when it voted against the Charlottetown accord.

We are naming senators in the other house to represent the party that forms the government. We are in a situation at this time where we have had a bill before the Senate for eight

months. It is being blocked by a party that received only 3 per cent support in the latest byelections.

I need some Liberal senators who will have more sense than the ones who are blocking legislation that is very important and in the interest of taxpayers so that we will not give more money to the people who made a deal—

Some hon. members: Hear, hear.

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, I remind the Prime Minister that the Charlottetown accord was a package deal with many flaws.

I also remind the Prime Minister that with provincial elections from time to time, in this case New Brunswick, the cost factor would be low and democracy is worth it.

Does the Prime Minister still find it revolting to offer the people of Canada a democratic vote on their choice of senator?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, it is a case where Reform Party members have thrown the baby out with the bath water. They did not realize what they were doing. They in effect blocked elections to the Senate. That is all. That is reality.

Now my prerogative is to name senators. It is a prerogative that I use and I name very good senators. The citizens who are selected always appreciate it very much. I remember very well the former Senator Manning.

* * *

[*Translation*]

ETHICS

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, on Monday, the Minister of Canadian Heritage said, and I quote: "Mr. Beaudry is a very respectable person who does not engage in activities without first making sure that they are compatible with his duties".

My question is for the Prime Minister. How does he reconcile this statement made by his heritage minister and the admission by his personal ethics counselor, Mr. Wilson, that it was only after the fact that the chairman of the National Capital Commission consulted him?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, that question was answered yesterday. I am pleased to see that Mr. Wilson's opinion coincides with what we said in this House.

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the Prime Minister must have misheard my question on account of the noise, because I was actually telling him that Mr. Wilson said just the opposite of what the heritage minister had said.

I have a second question, a second chance, for the Prime Minister.

• (1445)

How can the Prime Minister reconcile the opinion given by his ethics counselor, his personal counselor who maintains that this behaviour is in compliance with the code of ethics, when section 33 of the Public Service Employment Act states, and I quote: "No deputy head shall engage in work for or against a political party"? I would like an answer.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there have been court rulings on this and I must add that the Quebec referendum is not a partisan issue, but an opportunity for every Quebec citizen to say whether or not he or she wants to remain in Canada. This is not necessarily a matter involving work for or against a political party.

I know full well that many people in the National Capital Region realize that separation would be disastrous for those who live on the Quebec side of this region, and I think that any citizen has the right to express an opinion on the future of his country without engaging in political partisanship.

* * *

[*English*]

FISHERIES

Mr. John Cummins (Delta, Ref.): Mr. Speaker, my question is for the Prime Minister. We understand that he is today in receipt of a letter from European Union president Santer regarding the turbot dispute on the east coast. Will he reveal the substance of the letter to the House and indicate what his response will be?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I did not read from the communication. I said he expressed the view, as he did on the telephone, that we should reach a settlement very rapidly. He is giving instructions to his negotiator to do that very rapidly. I have given the same instructions to my negotiator. I hope we will find a solution very quickly.

Mr. John Cummins (Delta, Ref.): Mr. Speaker, I would have preferred a little more substance to the answer but I do appreciate it nevertheless.

The minister of fisheries has repeatedly stated Spanish vessels should not be fishing on the nose and tail of the Grand Banks. Given that the Spanish often fish in waters 800 to 2,000 metres deep, it is uncertain where the minister is drawing the line. Could he tell us where this line is drawn, the line beyond which it is okay to fish?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the line is drawn in the water. It is approximately what is referred to as the 1,000 metre line on a NAFO map. The Spanish vessels know exactly where it is. It is the area where most of the fishing activity has gone on.

A CP wire story has just come into the House. I received a copy and sent a copy to the Prime Minister as he sat down from answering the first question. It says the president of the European Union is indicating they are prepared to propose a series of new measures in order to ensure this fishery is controlled effectively. It goes on to say the president of the EU is prepared to consider figures, quota–wise, lower than the autonomous quota they have already set.

These are indications in the right direction; these are steps in the right direction. We would like to see this matter resolved by discussion. We have said that from day one. We do not want to see negotiations, which have gone on for a number of days now, trashed because a handful of captains want them trashed. It is not in their interest to have effective enforcement measures, to have lower and reasonable quotas that will sustain the stock.

We are waiting to see what comes out of these next days of discussion. Canada will stand firm for conservation.

* * *

RAIL STRIKE

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, the farmers in my riding and right across Saskatchewan are watching with extreme anger as the members of the NDP and the Bloc hold up our settlement of the rail strike. Canada's reputation as a reliable supplier of grains and oilseeds is tarnished. We are in danger of losing our international markets.

The NDP and the Bloc refuse to co–operate for the good of our country. What will the minister of agriculture do for Canadian farmers?

• (1450)

Hon. Ralph E. Goodale (Minister of Agriculture and Agri–Food, Lib.): Mr. Speaker, the full answer to that question could take several days but I will try to shorten the point because of the very serious issue before the House.

One week of lost rail service has the impact of holding up 500,000 tonnes of grain shipments through the Canadian Wheat Board valued at $83 million. When we add in the non–board grains the total goes up to very close to $100 million, plus $15 million in losses for domestic oilseed processors, plus another $5 million in losses for flour millers. The cost of that is in excess of $100 million for one week of lost rail service, not to mention the damage to our reputation as an international supplier.

The government wants the problem ended. We want it ended today. We implore the members of the NDP, who are so mouthy from the backbenches, and the Bloc to solve this problem now.

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, my question is for the Prime Minister or perhaps the Minister of Labour.

The record will show, if truth matters at all in this place, that since early Monday morning it has been up to the Bloc and the government to settle this issue, not the NDP.

Some hon. members: Oh, oh.

The Speaker: I ask the hon. member to put his question.

Mr. Blaikie: Mr. Speaker, I am sure if the New Democrats had been in the position of the Bloc we would have had a settlement by now, as of old.

I ask the Minister of Labour whether she would be willing to consider the following changes in the legislation as a way of creating a context in which the legislation could be speeded up. I ask the minister whether she is interested in any agreement, or does she just want to play politics with this thing?

Would she consider changing the provision with respect to when VIA workers go back? Why can VIA workers not go back when CN workers go back? That is something all the unions agree on.

Would the minister consider changing the language of instruction to the—

The Speaker: I did hear a question. I am going to permit the hon. Minister of Labour to address herself to that question if she so desires.

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, if the NDP gives its support to the legislation we can discuss that in debate.

Mr. Bill Blaikie (Winnipeg Transcona, NDP): That is precisely my question, Mr. Speaker. Is the government open to changes in the legislation like the things I have mentioned?

If it is perhaps there could be some understanding as to how the legislation could be changed and support could be given for pushing the legislation through, even though we object in principle—

The Speaker: The hon. Minister of Labour.

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, if the hon. member understands the parliamentary process, he knows that legislation must first go through various stages. Then we can discuss any amendment which he may propose.

* * *

• (1455)

SEAL HUNT

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, several measures were taken by federal and provincial governments to allow the resumption of the commercial seal hunt. As

you know, the seal population is now close to four million, and urgent action is required to restore a balance in the ecosystem.

My question is for the Minister of Fisheries and Oceans. Since the commercial seal hunt can resume only if international markets offer adequate opportunities, which measures does the minister intend to take to counter the boycott of Canadian products getting under way in France to protest seal hunting?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the member opposite would be well served to do what most Canadians are doing, including the Canadian sealers who live in the province of Quebec on the Magdalen Islands; namely to go about their business and participate in a modest and moderate seal hunt this year based on an adult animal.

There is no hunt for a white coat. There is no ship based hunt. It is a hunt by landsmen only. It is within the current quota that has been established for the last five years; in fact less than the quota of the last five years.

The way to respond to misinformation being propagated by a handful of people who see an opportunity to raise dollars for organizations that have been starved for those dollars for many years is simply to speak quietly but clearly the truth about this hunt.

[*Translation*]

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, in spite of the minister's assurances regarding the minor impact of the misinformation campaign, in the past, European campaigns against seal hunting have had a disastrous impact on the Atlantic provinces, and especially on the Magdalen Islands.

Consequently, will the Minister of Fisheries and Oceans pledge to improve the seal products marketing policy by conducting an awareness campaign among importers regarding the consequences of the demographic explosion of the seal population?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker. I congratulate the member for raising the question. It is an important one. The measures he is asking for have already been undertaken for sometime now by the government.

It is clear not only in North American but around the world that the number one conservation issue before Canadians and before people who care about sustainable harvest and development is the question of turbot.

I am ironically pleased that Greenpeace is taking a chartered vessel out of St. John's harbour tonight to protest the Spanish fishing of turbot. That is the real conservation issue.

NATURAL RESOURCES

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, my question is for the Minister of Natural Resources.

The Geological Survey of Canada recently announced that it was moving its British Columbia office from Vancouver to Victoria. This will involve transferring more than 30 geologists and their support staff and breaking a 10–year lease worth about $6 million on new quarters.

In these times of economic restraint, how can the minister justify this boondoggle?

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, in the last budget all departments were required to cut their expenditures considerably. The Department of Natural Resources is no exception to that. It is no longer possible for us to justify having two GSC installations in British Columbia. Therefore we will rationalize and amalgamate.

Mr. Lee Morrison (Swift Current—Maple Creek—Assiniboia, Ref.): Mr. Speaker, that answer reminds me of that old song by Stompin' Tom Connors, "We'll Save a Bunch of Money Spending Money We Don't Got".

Most members of the mining fraternity who are still willing to work in British Columbia are based in Vancouver. They use the facilities of the GSC library, the map sales, and they consult with individual geologists.

What is the point in having a geological survey in B.C. at all if we are going to move it completely away from the people it is intended to serve? There are exactly four potential clients for this thing in Victoria—

The Speaker: The hon. minister.

• (1500)

Hon. Anne McLellan (Minister of Natural Resources, Lib.): Mr. Speaker, let me assure the hon. member yet again that we are looking at all aspects of this move.

I make one thing absolutely clear. We will rationalize and we will amalgamate the facilities of the GSC in British Columbia.

* * *

PRESENCE IN GALLERY

The Speaker: My colleagues, I would like to draw to members' attention the presence in the gallery of Mr. Vazken Manukian, a member of the Armenian Parliament and Chairman of the National Democratic Union Party of Armenia.

Some hon. members: Hear, hear.

Routine Proceedings

POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, a point of order. During question period the member for Mission—Coquitlam, in making a comment with respect to the appointment of two senators, aroused my ire to some extent.

I hope you will understand, Mr. Speaker, that we have had some experiences recently with the Reform Party commenting on the appointment of Acadians to various positions in government.

I want to withdraw the remark I made to my colleague. I withdraw it unequivocally.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 17 petitions.

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COMMITTEES OF THE HOUSE

JUSTICE AND LEGAL AFFAIRS

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the sixth report of the Standing Committee on Justice and Legal Affairs.

Pursuant to the order of reference of Tuesday, September 20, 1994 your committee has considered Bill C–45, an act to amend the Corrections and Conditional Release Act, the Criminal Code, the Criminal Records Act, the Prisons and Reformatories Act and the Transfer of Offenders Act. Your committee has agreed to report it with amendments.

Mr. Speaker, while I am on my feet, I have the honour to present in both official languages the seventh report of the Standing Committee on Justice and Legal Affairs.

Pursuant to the order of reference of Tuesday, October 18, 1994 your committee has considered Bill C–41, an act to amend the Criminal Code (sentencing) and other acts in consequence thereof. Your committee has agreed to report it with amendments.

[*Translation*]

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to table the 68th report of the Standing Committee on Procedure and House Affairs regarding Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries, with amendments.

[*English*]

FOREIGN AFFAIRS AND INTERNATIONAL TRADE

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the third report of the Standing Committee on Foreign Affairs and International Trade.

[*Translation*]

This report is about the nomination of Robert Fowler to the position of ambassador and permanent representative of Canada to the United Nations in New York.

Your committee reviewed the qualifications of the person appointed and declared him competent to perform the duties of his position.

* * *

[*English*]

RAIL STRIKE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, in light of the very serious crisis facing the country, namely the national rail strike, that is ongoing and which the government is seeking to end, I think you might find unanimous consent in the House for the following motion:

> That, notwithstanding any standing order, immediately after the completion of private members' business on this day, the House shall revert to Government Orders for the purpose of continuing consideration of Bill C–77, an act to provide for the maintenance of railway operations and subsidiary services at the second reading stage, in committee of the whole, at the report stage and at third reading stage, provided that the House shall not adjourn this day except pursuant to a motion by a minister of the crown.

● (1505)

The Speaker: Does the hon. parliamentary secretary have the unanimous consent of the House to move the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: There is not unanimous consent.

Mr. Hermanson: Mr. Speaker, I rise on a point of order. I want to make it clear that while there is opposition on the opposition side of the House to the motion, it comes from the Bloc Quebecois and the NDP and not the Reform Party.

The Speaker: Colleagues, I asked for unanimous consent. I did not get unanimous consent. The point of order of the member for Kindersley—Lloydminster was not a point of order. The hon. member for Mackenzie, is this a comment on the unanimous consent which I sought?

Mr. Althouse: Mr. Speaker, it is a comment concerning the member for Kindersley—Lloydminster who is pretending to speak for the NDP. He does not.

* * *

PETITIONS

PARLIAMENTARY PRAYER

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, it is with great honour and pleasure that I rise pursuant to Standing Order 36 to present a petition regarding the parliamentary prayer in this House. The petition was originally signed by 20,593 people. The majority are from my riding of Saint John, New Brunswick, as well as from Newfoundland, Ontario, Saskatchewan, B.C., across this whole nation.

Due to various inaccuracies some were just certified today. I am presenting a petition signed by 15,268 names. I find the process to be a little questionable in that we decertify some petitions because of a lack of an—

The Speaker: I am sure the hon. member knows that we have a procedure in the House which is followed. This procedure was agreed to by the House of Commons. I would deem the petition to be presented by the hon. member and I accept it as such. I hope that the hon. member would keep her final comments very brief.

Mrs. Wayne: These petitions state that the opening prayer in the House of Commons should retain the traditional reference to Jesus Christ and that the traditional Lord's Prayer be reinstated at the closing of the opening prayer.

Therefore, the petitioners call on the House to close the prayer, "through Jesus Christ our Lord. Amen." They call on the House to act on this request. I wholeheartedly agree with the petitioners and would request—

The Speaker: Colleagues, last week I asked hon. members to refrain from saying whether they agree or disagree with a petition. That takes a little of the sting out of the petition for some members who may or may not want to agree with it. I would ask hon. members if they would please consider this when they are presenting petitions.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, question No. 142 will be answered today.

[*Text*]

Question No. 142—**Mr. White (North Vancouver):**

What has the government determined to be the total number of immigrant families residing in Canada who, (*a*) continue to earn their living abroad in countries which do not have a tax treaty with Canada, (*b*) fail to report to Revenue Canada their total income from international sources and (*c*) file for the federal child tax benefit?

Hon. David Anderson (Minister of National Revenue, Lib.): Revenue Canada is working with the Department of Citizenship and Immigration to obtain information to facilitate the development of enforcement programs and to better focus client assistance and education programs so that new Canadians are aware of their obligations.

Revenue Canada's data bases do not at this time contain the information requested concerning immigrant families residing in Canada. Whether foreign source income is reported for Canadian income tax purposes would be determined through verification and audit programs.

[*English*]

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

The Speaker: Is it agreed?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that the notice of motion for the production of papers be allowed to stand.

Some hon. members: Agreed.

Mrs. Wayne: Mr. Speaker, on a point of order, pursuant to Standing Order 39, I placed a question on the Order Paper on October 4, 1994. That was 172 days ago.

• (1510)

As the question required a detailed response, I did not request that I get the answer within the 45 days as the standing orders allow. However, it is my understanding that with all Order Paper questions the government tries to answer them within 45 days.

I am seeking information on the financial assistance provided to each federal riding in Atlantic Canada by ACOA. One hundred and seventy-two days is an unacceptable length of time to respond—

The Speaker: The hon. member has made her point. I request that notice be taken of the statement that the hon. member has made.

Routine Proceedings

MAINTENANCE OF RAILWAY OPERATIONS ACT, 1995

BILL C–77—ALLOCATION OF TIME

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I wish to inform the House that an agreement has been reached pursuant to Standing Order 78(2) with regard to an allocation of time to the second reading stage of Bill C–77.

Therefore, I move:

That in relation to Bill C–77, an act to provide for the maintenance of railway operations and subsidiary services, not more than one hour shall be allotted to the consideration of the second reading stage of the said bill and, at the end of that hour, any proceedings before the House shall be interrupted, if required for the purpose of this Order, and in turn every question necessary for the disposal of the second reading stage of the bill shall be put forthwith and successively without further debate or amendment.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Speaker: Call in the members.

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

(*Division No. 174*)

YEAS

Members

Abbott
Adams
Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bellemare
Bertrand
Bevilacqua
Blondin–Andrew
Bonin
Breitkreuz (Yellowhead)
Brown (Calgary Southeast)
Brushett
Bélair
Calder
Catterall
Chatters
Clancy
Collenette
Comuzzi
Crawford
DeVillers
Discepola
Duncan
English
Fewchuk
Finlay
Fontana
Frazer
Gagnon (Bonaventure—Îles–de–la–Madeleine)
Gerrard
Godfrey
Gouk
Grose
Guarnieri
Harper (Calgary West)
Harvard
Hermanson
Hoeppner
Hubbard
Irwin
Johnston
Kilger (Stormont—Dundas)
Knutson
LeBlanc (Cape/Cap–Breton Highlands—Canso)
Lee
Loney
MacDonald
MacLellan (Cape/Cap–Breton—The Sydneys)
Maloney
Marleau
Massé
McClelland (Edmonton Southwest)
McGuire
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Minna
Morrison
Murray
Nunziata
O'Reilly
Paradis
Penson
Phinney
Pillitteri
Ramsay
Regan
Ringuette–Maltais
Robillard
Rompkey
Scott (Fredericton—York—Sunbury)
Serré
Skoke
Speller
Steckle
Stewart (Northumberland)
Strahl
Thalheimer
Valeri
Verran
Wappel
Wells
White (North Vancouver)
Wood
Zed—173

Ablonczy
Alcock
Assad
Augustine
Barnes
Benoit
Bethel
Bhaduria
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Cauchon
Chrétien (Saint–Maurice)
Cohen
Collins
Cowling
Cummins
Dingwall
Duhamel
Eggleton
Epp
Finestone
Flis
Forseth
Gagliano
Gallaway
Gilmour
Goodale
Graham
Grubel
Harb
Harper (Simcoe Centre)
Hayes
Hickey
Hopkins
Ianno
Jennings
Keyes
Kirkby
Kraft Sloan
Leblanc (Longueuil)
Lincoln
MacAulay
MacLaren
Malhi
Marchi
Martin (Esquimalt—Juan de Fuca)
Mayfield
McCormick
McKinnon
McTeague
Meredith
Milliken
Mills (Red Deer)
Mitchell
Murphy
Nault
O'Brien
Pagtakhan
Patry
Peters
Pickard (Essex—Kent)
Proud
Reed
Ringma
Robichaud
Rock
Schmidt
Scott (Skeena)
Shepherd
Solberg
St. Denis
Stewart (Brant)
Stinson
Telegdi
Torsney
Vanclief
Walker
Wayne
Whelan
Williams
Young

NAYS

Members

Bellehumeur
Caron
Debien
Deshaies
Duceppe
Fillion
Bélisle
Daviault
de Savoye
Dubé
Dumas
Gagnon (Québec)

Gauthier (Roberval)	Godin
Guay	Jacob
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Mercier	Ménard
Nunez	Paré
Pomerleau	Rocheleau
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)—34

PAIRED MEMBERS

Members

Asselin	Bachand
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Bouchard	Brien
Caccia	Canuel
Chamberlain	Chan
Chrétien (Frontenac)	Crête
Culbert	Dalphond-Guiral
Easter	Fry
Gaffney	Guimond
Harper (Churchill)	Jackson
Lavigne (Verdun—Saint-Paul)	Marchand
Parrish	Peric
Picard (Drummond)	Sauvageau
Simmons	St-Laurent
Szabo	Ur

• (1550)

The Speaker: I declare the motion carried.

GOVERNMENT ORDERS

[*Translation*]

MAINTENANCE OF RAILWAY OPERATIONS ACT, 1995

Hon. Lucienne Robillard (Minister of Labour, Lib.): moved that Bill C-77, an act to provide for the maintenance of railway operations and subsidiary services, be read the second time and referred to a committee.

She said: Mr. Speaker, I rise today to introduce the Maintenance of Railway Operations Act, 1995. The primary aim of this bill is to put an end to the work stoppage paralysing the railway industry and to permit the resumption of activities in this sector. The bill also provides a solution, through a mediation-arbitration process, to the matters remaining in dispute between the companies and various unions.

My colleagues in the House are certainly aware that a major disruption in Canadian railway operations can have grave consequences on various sectors of the economy and on the thousands of railway passengers.

I had hoped we could avoid such a measure, but the government hardly has a choice anymore. Government intervention in this dispute has become unavoidable. We would be lacking in our duty to the people of Canada if we allowed a work stoppage

in the railway sector to threaten the stability of our economy and the jobs of the thousands of workers affected by this dispute.

• (1555)

During negotiations between the railway companies and the unions concerned, it became clear that because of the position taken by the employers that substantial cuts in labour costs were necessary, it would be a long and arduous process. To cut costs, the railway companies are seeking major concessions with respect to job security and more flexibility in the distribution of tasks.

Negotiations between the employers and the unions have been going on for more than a year, and in most cases, the parties were assisted by a conciliator and a conciliation commissioner. My predecessor, the Minister of Human Resources Development, appointed Mr. Allan Hope as conciliation commissioner for the purposes of collective bargaining on eleven agreements involving the three railway companies. The report prepared by the conciliation commissioner was transmitted to the parties on February 22, 1995. This report proposes ways to reach a final settlement on issues on which the parties have failed to agree.

As I said earlier, the issue of job security was central to the concerns of the employer during these negotiations. If we look at the situation in the three railway companies concerned by the bill before the House today, CN and VIA Rail have proposed a gradual phasing out of this benefit, while Canadian Pacific suggested restructuring the provisions on job security so as to restrict employee eligibility.

The unions expressed their frustration with the emphasis placed on this issue during the bargaining process and were quick to point out that, from their point of view, job security was an advantage that had been obtained through collective bargaining in return for various concessions and trade-offs. The representatives of the unions, who see this advantage as a way to protect employees against loss of employment due to structural and technological change, maintain that the employer wants to remove this protection at a time when the job security of their members is threatened.

On the other hand, agreements concluded recently by Canadian Pacific with three of the unions that represent smaller bargaining units within the company are a clear indication that the process can work. The three unions—the Transportation Communications International Union, the International Brotherhood of Electrical Workers and the Rail Canada Traffic Controllers—managed to agree with the company on wage increases, conditions relating to job security and a number of improvements to social benefits.

I have tried to give hon. members a quick rundown on the events that have taken place so far and the situation we are now facing, despite assistance provided on a massive scale to the parties, in an attempt to avoid any disruption in railway transportation and its consequences for Canadian producers and manufacturers whose economic survival depends on this mode of transportation.

[*English*]

As hon. members may be aware, I met with representatives of the rail companies and the unions in Montreal on Sunday afternoon. At that meeting I acknowledged their efforts in attempting to achieve a resolution of their respective differences.

I expressed concern over the economic damage which was being inflicted on the Canadian business and agricultural sectors as a result of the work stoppages. I asked the parties to give the negotiation process one final push in order to achieve either tentative settlements of the issues in dispute, or agree on a binding process to solve their differences and avoid the need for legislated intervention on the part of the government.

• (1600)

Unfortunately the companies and the unions have failed to reach any type of agreement on these matters. We are left with no choice but to assume our responsibility to the Canadian public and bring this feud to a conclusion.

[*Translation*]

Mr. Speaker, the purpose of the bill entitled Maintenance of Railway Operations Act, 1995, is to ensure that railway and subsidiary services continue or are forthwith resumed at Canadian National, Canadian Pacific and VIA Rail.

With respect to the dispute resolution process, the bill before my hon. colleagues calls for a mediation–arbitration commission to be established in respect of each bargaining unit prescribed. Each commission shall consist of one representative appointed by the employer, one representative appointed by the union and a chairperson appointed by the Minister of Labour.

Within 70 days after its establishment or such longer period as the minister may allow, each commission must endeavour to mediate all the matters referred to it, then hear the parties on the matters on which it was unable to bring about an agreement and render an arbitration decision on these matters. It must also fix a date for the termination of the new collective agreement, which date may not be earlier than December 31, 1997.

To ensure that each commission carries out its mandate with impartiality, the bill requires each commission to be guided by the need for terms and conditions of employment that are consistent with the economic viability and competitiveness of a coast–to–coast rail system in both the short and the long term, taking into account the importance of good labour–management relations.

I am convinced that this bill will not make all parties involved happy, but I know that it provides for a dispute resolution process that is both fair and speedy. With this legislation, the government sends a clear message to the railway companies and the unions. It is telling them that, while believing in the collective bargaining process, it is not prepared to let work stoppages in the railway sector interfere with the normal operation of the Canadian economy. I urge all hon. members to support this position by ensuring that this bill is passed as quickly as possible.

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, we know that we currently bear a heavy responsibility, but it is because the Bloc Quebecois takes its role as the official opposition very seriously that it cannot support a special piece of legislation that denies both the right to strike and the right to negotiate. On Monday, we proposed amendments that would have allowed the employees to go back to work without undermining the ability to negotiate for those who exercised their right under the Canada Labour Code.

Why must this special bill single out the workers and some of the strikers? Why must it undermine negotiated settlements by outlining a general and drastic worsening of working conditions? Why is the government itself not acting on the substance of the report by Commissioner Hope, who was appointed to advise the government and did so by working hard and producing a comprehensive report? Why did the government actually undermine the significance of the Hope report? Why is it satisfied with a hollowed–out Hope report?

• (1605)

The Minister of Labour's position is certainly not impartial and I will show that. Is the minister acting like a sorcerer's apprentice because of inexperience, ignorance or bad faith? Let us at least put the question.

The government is in a hurry, but it has difficulty hiding the fact that it is taking advantage of a serious situation to protect interests which are not the economic interests it is referring to. The government does not care about establishing conditions which would promote co–operation. It imposes a bludgeon law which does not even leave room for mutually agreed settlements. The government also treats differently the three companies, at the expense of the workers affected by the strike and the lockout.

The proposal which we made on Monday seeks to preserve the future: everyone goes back to work; mediation takes place according to the Hope formula; a public report is released and recommendations are made to this House to try to restore a balance which was destroyed for workers by the action and inaction of this government.

Since the strike started, its settlement has become a national issue. We feel that, in the context, the two sides may have a new desire to reach a settlement. Such an example of conditions promoting fair and healthy work relations would be a definite asset for the future of the country that this government claims to want to build. However, in the meantime, what Canadians and Quebecers see, is a government taking advantage of a serious

situation to promote its partisan interests. That is not from me: it is from the Hope report.

We had to protect the interests of Canadian workers who used their right to strike, as provided in the Labour Code. I said it on several occasions:

[*English*]

If the Canadian economy cannot afford the Canada Labour Code then it should be said and something should be done in order to avoid the sort of mess we are in. The workers will be the ones who will pay and we know many persons who are not responsible for that. The government and the House cannot have blind eyes on that.

[*Translation*]

The right to strike is a fundamental right in every democratic society. In the context of labour relations, it plays a major role in bringing about a settlement between the parties, a mutually satisfactory settlement through which the level of productivity sought by companies and workers, and society as a whole, can be achieved.

Never has forced settlement brought about innovative ideas to deal with new situations. Solutions imposed on the parties only repeat patterns that cannot be adapted any more to particular situations. But there are no short cuts when it comes to looking for solutions together. Every time we failed to do so—and, as we know, this has been a problem in the public service—we ended up paying a much higher price in terms of loss of productivity, because it becomes impossible under such circumstances to finds mutually acceptable solutions.

• (1610)

This is not an attack on companies, on the contrary. But businesses worthy of the trust the public puts in them must know that they cannot claim to be reorganizing in order to compete if they do not take their employees into account. There are no short cuts.

It is extremely unfortunate that the new so–called "labour" minister's second move since taking office is to undermine any chance of real corporate reorganization by putting in place mechanisms, traditional mechanisms, that have already proven ineffective in reforming the system. With these mechanisms, the minister condemns Canada to live through situations we had hoped never to live through again.

I am telling you this as a Bloc member, because we take our role of official opposition seriously. After all, we could rejoice over the fact that a position perpetuating problems and making them worse can be put in place this way. But no, we are here to play a positive role as long as we remain in this country and look after the interests of the workers as well as the companies who depend on a satisfactory settlement.

The Hope report contains a wealth of information. I will try to give you a brief outline of the highlights that should have guided the government in preparing its bill, if it had really sought what it claims to be seeking. First of all, I will outline the main elements of the Hope report. The report says this: "In summary, the dispute revolves around extremely complex collective bargaining issues raised under circumstances that do not lend themselves very well to negotiated solutions. Given the circumstances, the purpose of this report is to determine the possibility of initiating an ongoing process that would allow the parties to deal with these very complex issues through binding mediation or arbitration maximizing the parties' involvement in setting the conditions".

Mr. Hope took on the difficult task of defining the conditions in which solutions can be found despite the difficult situation. He reviewed the available literature on labour relations and administration, after stressing the labour department's basic tradition of neutrality and objectivity. That is what Mr. Hope himself said. I think he would be disappointed in the current situation. He noted that, according to the unions, the government, through the Minister of Transport, delayed the collective bargaining process, and that both the employers and the government seem ready to attack the rail employees' working conditions.

• (1615)

It says that, in fact, the companies have already made demands of this kind in the past. They have already tried to obtain similar concessions during past rounds of negotiations. Their demands are so controversial and provocative because of the partisan role taken by the government, which supports the position of the railway companies, and because of the tenacity with which the companies have stuck to these demands. And, he says, their points of disagreement are complicated because we are now in a period of economic recovery and in a situation which management, the management of companies, has let fester for several years.

Having said this, what did Mr. Hope propose in his report after reviewing the situation? He said that we could have let the strike go on. Because we find ourselves before two reconcilable parties. The minister says that there have been hours and hours and hours of negotiation, but what she really means is that people have been sitting at the same table for hours and hours and hours. Anyone who has ever been involved in negotiations knows that people can sit down face to face, side by side, yet negotiate nothing, put nothing on the table, because the parties refuse to put anything on the table as long as they are uncertain whether they will come out winners when they play their cards.

It is true that the government has intervened so many times in the railway industry that the employers, and in some cases the unions, are just waiting for the government to step in. This undermines the effectiveness of a strike.

By the way, the Hope report says that a strike cannot be stopped just because of interruptions in service; the right to strike can only be suspended in extremely serious cases. The report states that the worst case scenario for the unions would be if the government found itself forced to impose the railway companies' demands as a prelude to the rationalization process outlined in the reports.

We now find ourselves in this worst case scenario. Why? Once the government decided to intervene, instead of following the recommendations contained in the Hope report, it decided to use a process which has already proven unsuccessful. In fact, what does the Hope report have to say about the government legislating employees back to work? The report indicates that dispute arbitration must be avoided at all cost, because such arbitration cases have prevented us from addressing the problem and often led us to copy old systems instead of looking for new solutions and making progress.

Under what conditions could we allow the parties to break the current deadlock without a strike? We agree that the only means of settling the real issues is the right to strike.

• (1620)

Mr. Hope arrives at the following solution—he says there could be other ones, but this is the one he proposes: first, a mediation–arbitration stage to allow the parties involved to reach a consensus on what he calls the parameters but that I would describe as the overall situation of the companies.

Let me explain. Workers are convinced that the companies make profits, but that they are mismanaged which results in waste, that Paul Tellier's salary does not allow him to teach lessons to others, that the government's plan—they hear about it—to streamline operations is a threat to them, that the Minister of Transport supports the companies and that he made offending comments, to say the least, when he said that railway employees with a grade eight or nine education should not be blamed for negotiating overgenerous collective agreements.

Some hon. members: Shame.

Mrs. Lalonde: Real negotiations require that the parties meet. However, for the unions, the situation is the one which I just described. The unions feel threatened and they feel they have been had. They made major concessions in the previous collective agreements to preserve job security, since everything else was in jeopardy. Now, the companies show no regard for that right, acquired quite recently in some cases, and they want to eliminate it. In some cases, this job security, which is said to threaten the survival of the companies, was gained in 1992.

Ultimately, and not just for the workers and the companies but for all Canadians and Quebecers, the claims made by railway companies should be thoroughly examined. They claim that competition is fierce and that they can no longer continue to operate under the current conditions, that something must be done.

The Hope report says that this issue should have been discussed first. Discussions should have taken place first, with an arbitrator, the workers and the employers, on the survival of the companies and on their competitiveness, taking into consideration the workers' demands. In other words, the parties involved should have tried to agree on the information. Again, in the labour relations sector, whether through strike action or through other means, if you cannot agree to share information, you cannot negotiate.

The first phase of the mediation–arbitration process, which commissioner Hope expected to last two months, and which should have included a real debate to allow the workers to make their complaints and claims of waste, lack of organization, and to provide some explanations—because they got all the blame—was totally skipped. Had these discussions taken place, the workers might have agreed that, in some cases, some action was required, thus paving the way for true negotiations.

The second phase proposed in the Hope report provided 120 days to implement, in the various mediation–arbitration commissions, the parameters agreed on. The legislation only retains the second part of the proposal made in the report. It does not provide any means to try to reach a consensus, as proposed in the first part. Certainly not, because what constitutes one of the most serious attacks against the unions, who must feel that the employers and the government are both out to get them, is section 12. For some reason, the minister was very proud of this section, but I think this is just another indication of her lack of experience in labour relations.

• (1625)

I will read it to you. Section 12 says: "Each Commission shall be guided by the need for terms and conditions of employment that are consistent with the economic viability and competitiveness of a coast–to–coast rail system in both the short and the long term, taking into account the importance of good labour–management relations". That sounds pretty good, or does it? Anyone with any experience in labour relations knows this provision has at least two major effects. First, it does away with the arbitrator's customary mandate to abide by the jurispru-

dence. Basically, this paragraph is a substitute for the two months of research to clarify the state of the railway system.

Some hon. members: Hear, hear.

Mrs. Lalonde: This is because the government is in a hurry, for the reasons mentioned during Question Period. It is in a hurry because it wants to sell CN and can only sell CN if it makes drastic changes in the terms and conditions of employment. And because the government is in a hurry, it will not give the process designed by Commissioner Hope a chance to succeed. First, it says: You as arbitrators will have to ensure that terms and conditions of employment are consistent with employability in the short and long term.

For decades the railways have been allowed to deteriorate, and now in a single collective agreement, as a result of section 12, employees will have to pay for the disorganized approach and irresponsibility of the companies and the government. This is outrageous. Those who would blame us for the impact on small businesses and workers who suffer as a result of this right to strike should realize that the real culprit is a government that uses the situation to deal with problems it created in the first place, at the expense of the workers.

Some hon. members: Hear, hear.

Mr. Leroux (Shefford): The Liberals are to blame.

Mrs. Lalonde: But that is not all, it is not just by stripping all power from the mediation–arbitration commissions in clause 12 that the bill completely sabotages the Hope report, on the contrary. It is worse than that because there is a mandate and, instead of doing what is customary and leaving the decision to one arbitrator, who can exercise judgment and refer to the jurisprudence, we teeter on the verge of the ridiculous either by being totally oblivious to the Hope report's contents or by acting in bad faith when we say that we accept the report. That is why I call it the ghost of the Hope report—the two do not even resemble each other.

The second objection is that everything must be settled within 70 days. The Hope report would give 60 days to hammer out an agreement on the difficult basic conditions and 120 days to apply them. But we are saying that the whole agreement should be signed, sealed and delivered in 70 days, just like that! Why the haste? Is it because we absolutely must have negotiated settlements? We are creating conditions which make that impossible. We are creating conditions under which arbitration will be carried out by a commission which has no real power and to which the government will appoint the arbitrator.

• (1630)

The workers would not even be consulted on the choice of arbitrator. So, what other clauses of this bill are utterly unacceptable? Just imagine being so confident that the process will be encouraged and adopted—by the way, a basic condition for even having an arbitration commission is that both management and the union appoint a representative to it—that if the parties neglect to name a representative, the government, the minister will intervene in their stead and name a competent person.

Words fail me to describe such a situation. And that is not all, that is not all. There is the issue of deadlines. I already said this, but I must stress that the commissioner gave 60 days plus 120, and he took care to stipulate that he is limiting it to six months because it will be easier for the parties to come to an agreement once they have agreed on the parameters. In the bill, 70 is the total maximum. This means that the government wants a settlement to be reached quickly, and once again I ask why? I will finish on this note, Mr. Speaker.

Other provisions of this bill are also unacceptable. Among others, there is the fact, and I must stress it, that the three companies are not treated equally and, as a consequence, all of the workers are not treated equally. Why? First, let us try to find out. Take the first party, CN. It gets an arbitration commission, 70 days, a clause 12 which makes no sense, and a concluding clause which says: "This Part— shall come into force on the expiration of the twelfth hour after the time at which this Act is assented to".

What about Canadian Pacific and Via Rail? "This part shall come into force by order". This means that, at CP, where there is a strike and a lockout, more importantly, at this point in time, workers or those who obeyed the picket lines have been laid off temporarily, punished, and the unions are no longer having their dues deducted because workers crossed the picket lines. And there is more: no one is saying that the working conditions will return to normal and that the workers will be rehired. No. No one is saying that.

No one said that because the company arranged to maintain operations. It is working at 80 per cent of its capacity. At 80 per cent. I will read you part of a notice I received today sent by the company to its customers. It thanks them considerably for their patience and understanding. It goes on to say that 12,888 railway workers are working non stop. These railway workers include some 2,888 managers, supervisors and other, non–unionized employees, who were given special training to replace striking workers.

Canada has no anti–strikebreaking legislation. This means that Canadian Pacific, which took steps and is operating at between 60 per cent and 80 per cent capacity—there is no agreement on the exact figure—is not subject to such legislation. There are examples of this in history. In 1987, in a similar situation, 400 workers who had been locked out and were therefore subject to a similar provision, waited four months without being called back to work. This means that the workers who were on strike were called back within 12 or 15 hours, and those who had been locked out were not called back for four or five months, since the company could operate. I have confirmation of this here from the unions concerned. This means that, when we say, by order, we let the company carry on.

• (1635)

As for VIA Rail, the minister says they are close to agreement. No, before looking at VIA Rail, I have other news on Canadian Pacific. Just a few small items.

In 1991 or 1992, when the company closed the Angus shops, there was a serious problem, workers were in danger of losing their jobs. So, in order to shut down the Angus shops, the company promised, in a memorandum that was not part of the collective agreement, but that seemed to be ongoing in application, because otherwise it would have been meaningless, that the workers would indeed be paid but that they would remain in Montreal.

Now, the Canadian auto workers who are negotiating with Canadian Pacific have been told—and I have confirmed this with the company—that if they do not agree to the 250 workers in question being moved to Calgary, first, that these workers will lose their job security, and second, that the company will not sign any agreement with the other workers. The workers in the rest of Canada are being pitted against the workers in Montreal. They want to find a solution to the dispute, but they say they want to restore order in the rail system, and we see what the conditions are.

And finally, VIA Rail. The minister said that everything was fine at VIA Rail, that the negotiations were continuing. The union leaders tell me that there is no more negotiation going on here than anywhere else. They tell me that their biggest worry is that this would be done by order in council, because everyone knows that for reasons that are historic and that are explained in the Hope report, the passenger rail system is operating at a deficit, and that in reality when VIA Rail is not operating, it is losing less money than usual.

So, on the one hand, the government is saying: "This is terrible, we cannot provide service to passengers". But, on the other hand, it does not ensure that the legislation makes it possible to take action when something terrible happens.

All we hear is: "This is terrible, simply terrible! We must bring in legislation". But those who are supposed to make the terrible situation go away are not covered.

An hon. member: Incredible.

An hon. member: Terrible.

Mrs. Lalonde: It is terrible. But that is not all. This is not a simple matter, either, because some of VIA Rail's striking workers belong to the same local as some CN union members. Therefore, if CN resumes operations but not VIA Rail, VIA Rail workers on the same seniority list as their CN colleagues will do what union members do in similar circumstances, that is, engage in picketing. Just think about the consequences.

I can therefore strongly emphasize, once again, that the government has used with malicious intent the dramatic situation that some people are going through. A strike is never a pleasant experience. It is not pleasant for the strikers, who are at the end of their rope, nor for those who must suffer the consequences.

Instead of seeking permanent solutions—even if we take more time, as the Bloc Quebecois recommends—, the government is using the situation to resolve its own problems, which Commissioner Hope refers to as "its partisan problems".

If we, in the Bloc Quebecois, dared to stand up at the risk of being unpopular, it is because we have a high opinion of what politics is, of what a country is, and even of what Canada is, as long as we are part of it.

Some hon. members: Hear, hear.

• (1640)

[*English*]

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, I believe it was Yogi Berra who said, and if it was not Yogi I am sure he will not mind if I attribute it to him, it seems like déja vu all over again.

Last week it was back to work legislation for the port of Vancouver and this week it is for most of the railways. I suggest the time has long past for the government to get serious about labour issues and come up with a long term solution that does not rest on the usual crisis management approach of back to work legislation.

We can draw some comfort from the fact that Bill C–77 does contain a guiding principle which allows the commissioners to look at long term solutions. I am pleased to see that clause in the bill. However, since they have 70 days to file a report, I hope their suggestions are acted upon faster than those contained in the Fraleigh report, the Hope report, or even the long delayed and never seen Fraser study.

Perhaps I am beginning to sound like a broken record. I have said it so often in this House, and I think it bears repeating. I want to impress upon this government that we have to look to the future and find better ways to deal with work disruptions.

I want the House to know that the Reform Party is concerned and that is why my colleague, the member for Lethbridge introduced Bill C–262. That bill was specific in that it would have applied to the grain industry but the principle of final offer arbitration is one that can be applied in any labour dispute.

When the bill came up for a vote on Monday, we discovered that the government has made an new ally with the Bloc and even the NDP, the very people who are responsible for holding up speedy passage of this bill, and as a result shot down Bill

C–262. I was disappointed by the coalition that was formed against that very sensible bill.

As is evidenced in Bill C–77, the government is putting its agenda first and perhaps labour issues second. The difference in the coming into force provision of CN, CP and VIA Rail, perhaps indicates that the government is more concerned with protecting the government's interest in CN than helping Canadian shippers, manufacturers, farmers and workers. The cost to the economy is maybe secondary. Securing a positive atmosphere for the sale of CN might be the primary goal here.

Does it not matter as much that VIA is losing $1 million a day or that passengers are inconvenienced? Does it not matter that the transportation of goods in this country is paralyzed? Does it not matter that our international trade reputation is in jeopardy, suffering another blow that perhaps we cannot recover from this time?

As we speak, container vessels are steaming out of Canadian ports and off to U.S. ports. The whole time the Bloc and the NDP are stalling, ports throughout Canada including Quebec are losing port fees and pilotage charges. The American longshoremen have been collecting the wages that Canadians are missing.

The trucking companies are missing out on business that helps them and their workers to survive, to pay their bills and to feed their families. Our balance of payments with our free trade partner are tipping further in favour of the U.S.

Now let us look a little closer at the real impact of this work stoppage. On the east coast the port of Halifax estimates that it has lost $1.25 million so far in this strike alone. Eight ships have already left for New York. We all know that the economy of eastern Canada just does not need nor can it sustain this kind of setback.

On the west coast the port of Vancouver was just recovering and getting back on stride after back to work legislation when this disruption came along. Now the port of Vancouver is effectively grinding to a halt again. At the moment 22 ships are at berth in the port of Vancouver, four of which are grain vessels waiting for loads of grain. Ten more are at anchor, three of which are grain carriers. British Columbia coal miners are anxious to see their four coal carriers now at dockside loaded so that mines can keep operating and miners can keep working.

• (1645)

The strike has tremendous spinoff and domino effects. It is not only the people on strike who are suffering or all the industries that depend on that form of transportation. The potash industry will soon slow down if the two ships waiting at anchor cannot load their cargoes.

Why is it that we still cannot get unanimous support to provide speedy passage of the bill? Of course it is inevitable. It is just delaying the inevitable to hold up the bill.

Vancouver's loss is Seattle's gain. Halifax's loss is New York's gain. Job losses are the order of the day in manufacturing. If car manufacturers cannot get their parts they have to lay off workers. If they are not supplying cars, dealers do not have cars to sell and have perhaps been laying off people in their dealerships.

Farmers are extremely vulnerable to the whims of the transportation system. The only option they have is to hope the situation will be alleviated before it gets worse and worse. About all they can do at the moment is hope and sit back and watch their hard–won international contracts go down the drain, contracts that may be impossible to get back. After all, why would a buyer renegotiate a contract with a Canadian who could not guarantee the product will be delivered for the promised date? Buyers will go elsewhere, all because the government was slow to react and because the Bloc and the NDP did not care about the average Canadian worker.

We were asking for the legislation a week ago. If it had been introduced a week ago we would be further down the path to having it passed and assented to than we are at this point.

It is inevitable. I understand my colleagues in the opposition making a political statement. I suspect the statement has been made now. The real loser is the Canadian worker who gets laid off from his job simply because the system is backed up.

We are putting the government on notice that the Reform Party will be watching to make sure it has the best interests of Canadians in mind and that it is not just out to protect and fortify the sale of CN.

We want to know what criteria the minister will apply to her ministerial order to put CP and VIA workers back to work. Will she put them back to work when she thinks the levels of services have dwindled, or will she listen to the people who actually use the services such as the shippers and the Canadian Wheat Board? Will she be listening to those people? We will be watching to see that she does.

We expect she will take into account the impact continued stoppage will have on the wheat board, car manufacturers, small business people, grain producers, coal miners, lumber producers and kids who will not get a new pair of shoes because their parents have been laid off from their jobs. Many people are having a very difficult time with their payments. Even a week off work can be catastrophic to them.

As a Montrealer I am sure the minister can appreciate the problems faced by travellers and workers who are having difficulty getting themselves and their goods in and out of that city. When Toronto commuters are inconvenienced or late for work, their business, productivity and families are affected.

We are prepared to give the minister the benefit of the doubt. We are prepared to believe the minister will do the right thing, that she will order CP and VIA back to work before there are any devastating disruptions if there have not already been some.

• (1650)

The Reform Party intends to support the bill. I suggest the other parties in the House have made their political statement and have made their political point. Now we should all get behind the bill and do what is right for Canada.

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, as a Canadian I am disappointed that the Bloc Quebecois and the NDP have not seen fit to support the legislation. Perhaps they do not realize the economic impact of their stalling from coast to coast to coast. It is affecting the daily lives of Canadians. The economic condition of the country is deteriorating mainly because a party interested solely in the separation of Quebec is not acting appropriately. It is important to note that in this process.

I will give some examples of the economic impacts Canadians have experienced in various sectors of the economy. The shutdown of CN paralyses approximately 60 per cent of the country's freight traffic. The country's freight traffic capacity is further reduced by the disruption at CP Rail, where services are maintained with workers not on strike and 2,000 managers and staffers at approximately 60 per cent of normal capacity.

General Motors and Ford Canada employ some 21,000 workers in the greater Toronto area. Two Ford plants have been closed, putting 3,000 employees out of work. Others are operating at half capacity due to a shortage of parts for their production lines. Further layoffs are likely if the strike continues.

It takes approximately five trucks to replace one freight car. Ford Canada indicates that there are not enough trucks available to replace the shortfall in railway services.

The core manufacturing sector is being affected to the tune of $200 million to $500 million in economic losses per week. A spokesman with the Canadian Manufacturers Association estimates production losses to the economy if the strike continues to the tune of $3 billion to $5 billion.

Numerous companies that rely on rail transportation to ship both goods in the resources and manufacturing industries across Canada are suffering. The economic impacts of the rail shutdown are enormous.

I mentioned the major auto manufacturing locations in Ontario. Some of the companies affected are in the province of Quebec. Kruger Paper in Trois–Rivières is shutting down Tuesday due to the lack of wood chips coming in. There is a loss of $1 million a day and 500 workers are affected. Stone Consolidated in Port Alfred was shut down on Monday. Petromont in Varennes will shut down on Wednesday. Shell in Montreal is burning the equivalent of four tank cars of liquid gas daily. Port of Bécancour will shut down on Wednesday. Several aluminium plants are experiencing a slowdown in production: Alcan in Chicoutimi, ABI, Reynolds and Lauralco in Baie Comeau.

This is the message that the Bloc Quebecois should be paying more attention to instead of playing petty politics.

The Deputy Speaker: It being 4.54 p.m., pursuant to the order made earlier today, in accordance with the provisions of Standing Order 78(2) it is my duty to interrupt the proceedings and put forthwith every question necessary to dispose of second reading stage of the bill now before the House.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

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

(Division No. 175)

YEAS

Members

Abbott
Adams
Arseneault
Augustine
Barnes
Benoit
Bethel
Bhaduria
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Cauchon
Chrétien (Saint-Maurice)
Cohen
Collins
Cowling
Cummins
Dingwall
Duhamel
Eggleton
Epp
Finestone
Flis
Forseth
Gagliano
Gallaway
Gilmour
Goodale
Graham
Grose
Harb
Harper (Simcoe Centre)
Hayes
Hickey
Hopkins
Ianno
Jennings
Keyes
Kirkby
Kraft Sloan
Leblanc (Longueuil)
Lincoln
MacAulay
MacLaren
Malhi
Marchi
Martin (Esquimalt—Juan de Fuca)
Mayfield
McCormick
McKinnon
McTeague
Meredith
Milliken
Mills (Red Deer)
Mitchell
Murphy
Nault
O'Brien
Pagtakhan
Patry
Peters
Pickard (Essex—Kent)
Proud
Regan
Ringuette-Maltais
Robillard
Rompkey
Scott (Fredericton—York—Sunbury)
Shepherd
Skoke
Speller
Steckle
Stewart (Northumberland)
Strahl
Thalheimer
Valeri
Verran
Wappel
Ablonczy
Alcock
Assad
Axworthy (Winnipeg South Centre)
Bellemare
Bertrand
Bevilacqua
Blondin-Andrew
Bonin
Breitkreuz (Yellowhead)
Brown (Calgary Southeast)
Brushett
Bélair
Calder
Catterall
Chatters
Clancy
Collenette
Comuzzi
Crawford
DeVillers
Discepola
Duncan
English
Fewchuk
Finlay
Fontana
Frazer
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Godfrey
Gouk
Gray (Windsor West)
Guarnieri
Harper (Calgary West)
Harvard
Hermanson
Hoeppner
Hubbard
Irwin
Johnston
Kilger (Stormont—Dundas)
Knutson
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marleau
Massé
McClelland (Edmonton Southwest)
McGuire
McLellan (Edmonton Northwest)
McWhinney
Mifflin
Mills (Broadview—Greenwood)
Minna
Morrison
Murray
Nunziata
O'Reilly
Paradis
Penson
Phinney
Pillitteri
Reed
Ringma
Robichaud
Rock
Schmidt
Serré
Silye
Solberg
St. Denis
Stewart (Brant)
Stinson
Telegdi
Torsney
Vanclief
Walker
Wayne
Wells
White (North Vancouver)
Wood
Zed—171
Whelan
Williams
Young

NAYS

Members

Bellehumeur
Bélisle
Daviault
de Savoye
Dubé
Dumas
Gagnon (Québec)
Godin
Jacob
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
Ménard
Paré
Rocheleau
Tremblay (Rosemont)—35
Blaikie
Caron
Debien
Deshaies
Duceppe
Fillion
Gauthier (Roberval)
Guay
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Lefebvre
Leroux (Shefford)
Mercier
Nunez
Pomerleau
Tremblay (Rimouski—Témiscouata)

PAIRED MEMBERS

Members

Asselin
Bernier (Gaspé)
Bouchard
Caccia
Chamberlain
Chrétien (Frontenac)
Culbert
Easter
Gaffney
Harper (Churchill)
Lavigne (Verdun—Saint-Paul)
Parrish
Picard (Drummond)
Simmons
Szabo
Bachand
Bernier (Mégantic—Compton—Stanstead)
Brien
Canuel
Chan
Crête
Dalphond-Guiral
Fry
Guimond
Jackson
Marchand
Peric
Sauvageau
St-Laurent
Ur

● (1715)

The Deputy Speaker: I declare the motion carried.

(Bill read the second time and referred to a committee.)

● (1720)

BILL C-77—TIME ALLOCATION MOTION

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I wish to inform the House that agreement has been reached pursuant to Standing Order 78(2) with regard to an allocation of time of committee stage of Bill C-77. Therefore, I move:

That, in relation to Bill C-77, an act to provide for the maintenance of railway operations and subsidiary services, not more than four hours shall be allotted to the consideration of the committee stage of the said bill and, at the expiry of the fourth hour, any proceedings before the Standing Committee on Human Resources Development shall be interrupted, if required for the purpose of this order, and in turn every question necessary for the disposal of the committee stage of the bill shall be put forthwith and successively without further debate or amendment, provided that if the said bill is not reported from the said committee during Routine Proceedings on March 23, 1995, the said bill shall at the conclusion of Routine Proceedings on that day be deemed to have been reported from the committee without amendment.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

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

(Division No. 176)

YEAS

Members

Abbott	Adams
Alcock	Arseneault
Assad	Augustine
Axworthy (Winnipeg South Centre)	Baker
Barnes	Bellemare
Benoit	Bertrand
Bethel	Bevilacqua
Bhaduria	Blondin–Andrew
Bodnar	Bonin
Boudria	Brown (Calgary Southeast)
Brown (Oakville—Milton)	Brushett
Bryden	Bélair
Bélanger	Calder
Campbell	Catterall
Cauchon	Chatters
Chrétien (Saint–Maurice)	Clancy
Cohen	Collenette
Collins	Comuzzi
Cowling	Crawford
Cummins	DeVillers
Dingwall	Discepola
Duhamel	Eggleton
English	Epp
Fewchuk	Finestone
Finlay	Flis
Fontana	Forseth
Frazer	Gagliano
Gagnon (Bonaventure—Îles–de–la–Madeleine)	Gallaway
Gerrard	Godfrey
Goodale	Gouk
Graham	Gray (Windsor West)
Grose	Guarnieri
Harb	Harper (Calgary West)
Harper (Simcoe Centre)	Harvard
Hermanson	Hickey
Hoeppner	Hopkins
Hubbard	Ianno
Irwin	Jennings
Johnston	Keyes
Kilger (Stormont—Dundas)	Kirkby
Knutson	Kraft Sloan
LeBlanc (Cape/Cap Breton Highlands—Canso)	Leblanc (Longueuil)
Lee	Lincoln
Loney	MacAulay
MacDonald	MacLellan (Cape/Cap Breton—The Sydneys)
Malhi	Maloney
Marleau	Martin (LaSalle—Émard)
Massé	Mayfield
McClelland (Edmonton Southwest)	McCormick
McGuire	McKinnon
McLellan (Edmonton Northwest)	McTeague
McWhinney	Meredith
Mifflin	Milliken
Mills (Broadview—Greenwood)	Mills (Red Deer)
Minna	Mitchell
Morrison	Murphy
Murray	Nault
Nunziata	O'Brien
O'Reilly	Pagtakhan
Paradis	Patry
Penson	Peters
Phinney	Pickard (Essex—Kent)
Pillitteri	Proud
Reed	Regan
Ringma	Ringuette–Maltais
Robichaud	Robillard
Rock	Rompkey
Schmidt	Scott (Fredericton—York—Sunbury)
Scott (Skeena)	Serré
Shepherd	Skoke
Solberg	Speller
St. Denis	Steckle
Stewart (Brant)	Stewart (Northumberland)
Stinson	Strahl
Telegdi	Thalheimer
Torsney	Valeri
Vanclief	Verran
Walker	Wappel
Wayne	Wells
Whelan	White (North Vancouver)
Williams	Wood
Young	Zed—164

NAYS

Members

Bellehumeur	Bélisle
Caron	Daviault
Debien	de Savoye
Deshaies	Dubé
Duceppe	Dumas
Fillion	Gagnon (Québec)
Gauthier (Roberval)	Godin
Guay	Jacob
Lalonde	Landry
Langlois	Laurin
Lavigne (Beauharnois—Salaberry)	Lebel
Lefebvre	Leroux (Richmond—Wolfe)
Leroux (Shefford)	Loubier
Mercier	Ménard
Nunez	Paré
Pomerleau	Rocheleau
Tremblay (Rimouski—Témiscouata)	Tremblay (Rosemont)—34

PAIRED MEMBERS

Members

Asselin	Bachand
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Bouchard	Brien
Caccia	Canuel
Chamberlain	Chan
Chrétien (Frontenac)	Crête
Culbert	Dalphond–Guiral
Easter	Fry
Gaffney	Guimond
Harper (Churchill)	Jackson
Lavigne (Verdun—Saint–Paul)	Marchand
Parrish	Peric
Picard (Drummond)	Sauvageau
Simmons	St–Laurent
Szabo	Ur

• (1800)

The Deputy Speaker: I declare the motion carried.

* * *

BUSINESS OF THE HOUSE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, a point of order. In view of the fact it is now apparent that committee stage of this bill will be completed this evening, I

wonder if I might seek unanimous consent for the following motion. I move:

That, notwithstanding any standing order, at the conclusion of Private Members' Business this day, the sitting shall be suspended until the call of the Chair, which shall come in order to permit the House to receive the report from the Standing Committee on Human Resources Development on Bill C–77, an act to provide for the maintenance of railway operations and subsidiary services, and shall continue to sit in order to consider the report stage and the third reading stage of the said bill;

That, immediately after disposing of the third reading stage of the said bill, the sitting shall be suspended to the call of the Chair when it shall be reconvened for the sole purpose of a Royal Assent;

That, when the House returns from the said Royal Assent it shall be adjourned until the next sitting day provided that if a Royal Assent has not taken place by nine o'clock a.m. on March 23, 1995, the House shall be reconvened for the sole purpose of being adjourned until ten o'clock a.m. on that day.

The Deputy Speaker: Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: It is my duty to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Saint John—Base Closures.

PRIVATE MEMBERS' BUSINESS

[*English*]

ACCESS TO INFORMATION

The House resumed from December 14 consideration of the motion.

The Deputy Speaker: The hon. member for St. Albert has three minutes remaining in his time.

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I appreciate the opportunity to finish the speech I began some weeks ago regarding the private members' bill of the member for Red Deer on the motion regarding access to information. The remarks I made I will leave at that point. I have concluded.

• (1805)

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, I have a few remarks to make on this bill. It is a pleasure to speak in support of the motion of my colleague, the member for Red Deer. His motion states:

That, in the opinion of this House, the Parliament and crown agencies should be subject to scrutiny under the Access to Information Act.

This is a very appropriate motion as it would make these agencies more accountable to Canadians. If one thing was made clear by the results of the last election, it was that Canadians demand accountability from their governments and their institutions. They are no longer willing to accept governments and institutions that help themselves to the public purse. They are demanding value for their money instead of governments and institutions that take hard earned tax dollars for granted and make their deals behind closed doors.

One of the best mechanisms currently in place to give Canadians some control over these institutions is the Access to Information Act. This act lets Canadians take a look at government books for themselves. This is only fair. In Canada we pay a very high amount of tax and we have every right to know how the government is spending the money.

In this respect the Access to Information Act serves as a useful tool to keep an eye on the appropriateness of government spending. All members in the House can show they support this right of Canadians by supporting this motion. It would be a gesture very much appreciated by Canadians.

As a farmer, I would like to use the example of the Canadian Wheat Board in speaking in support of this motion. I was shocked recently when I requested information on the pension plans and wages for Canadian Wheat Board commissioners and staff. Regarding the pension plans, I asked for a breakdown on employer versus government contributions as well as the age at which the commissioners and staff are eligible to receive benefits. My request was denied by Agriculture and Agri–Food Canada on the basis that the Canadian Wheat Board does not fall under the terms of the Access to Information Act.

As a grain farmer and a member of Parliament I was appalled that I was refused information regarding pensions which I am responsible for funding. I can inform the House that the level of secrecy under which the Canadian Wheat Board operates is increasingly viewed with resentment by western farmers.

It further makes me wonder why the Canadian Wheat Board is so insistent on secrecy when a notice that compensation figures for executives and managers of Canada's major banks was recently released, presumably with no danger to the future operation of these banks.

Financial figures are available for the upper levels of just about every other corporation in the country and yet the Canadian Wheat Board insists on keeping its financial data a mystery. If banks can release this information, it shoots down the argument that the wheat board needs secrecy to remain a competitive player in the marketplace.

I wrote to the wheat board urging them to reconsider its policy. At that time I stressed this would go a long way in re–establishing the trust and confidence of other grain farmers in dealing with the wheat board. In turn, I was contacted by the wheat board. It provided me with some general salary information, but not in the detail I originally requested. Moreover, I was

told that the general information is only available to wheat board permit holders.

This experience shows how frustrating it can be for Canadians if they are trying to get financial information about a government agency that is not covered under the Access to Information Act.

I am not alone in my frustration with the wheat board. Recently a publication called the *Prairie Agricultural Digest* featured an article that asked why things at the wheat board are so secretive. This newspaper wondered what makes the wheat board so different from virtually any other privately traded or government corporation. The only answer they could come up with is that the people running the wheat board are either arrogant or out of touch.

The newspaper has embarked on a campaign to make the wheat board more accountable. Grain farmers can fill out a card directed to the Minister of Agriculture and Agri–Food. The card states: "I am very opposed to the secrecy of the Canadian Wheat Board, and the board's consistent refusal to answer questions regarding the salaries, pensions and other benefits the wheat board commissioners and other employees receive. I oppose the Canadian Wheat Board being exempt from the freedom of information act".

• (1810)

Apparently these clippings have been flooding into the newspaper office. This sends a clear message that farmers are fed up with the secrecy, but it is a sad comment that they have to take this drastic action in order to try and get accountability from an agency that is supposed to serve them.

The wheat board has advertised a position described as fitness instructor. How much sense does it make to have a fitness instructor on staff but not have an access to information officer that could answer questions about how the board spends its money.

The issue of accountability also becomes important when we look at the pasta industry in the country. Pasta producers in western Canada came to see me around the middle of November claiming heavily subsidized pasta from Italy was coming into the country and they could not afford to operate any more.

When I showed my facts and figures to the prairie pools, they had no answers. The Canadian Wheat Board sells durum wheat to the Americans for the pasta industry and we also sell it to Italy.

The Americans bring in 40 million kilograms of pasta for a value of approximately $84 million. This pasta costs about $2 per kilogram. The Italians ship 17 million kilograms of pasta at $19 million, which is about half the price the Americans are charging for their pasta in this country.

I asked the prairie pools if they could explain how we could sell durum wheat to Italy, ship it over there, have it manufactured and brought back into this country for half the price. Is it not subsidized? They could not give me a reasonable explanation.

It makes you wonder what is going on when you do a little digging and come up with some of these figures. It creates a stronger argument for openness and accountability at every turn.

The Winnipeg Commodity Exchange is a totally open process. A public gallery allows you to actually watch the trading. That is the type of openness the Canadian Wheat Board should be trying to achieve, otherwise we are left wondering to whom it is accountable.

It is not just Canadians who are upset with wheat board secrecy. American farmers are getting very upset with having to compete with this bureaucracy. It is not the Canadian farmers they do not want to compete with, it is the large, secret dealing wheat board they see as an unfair competitor.

I am not advocating the dismantling of the wheat board, but this illustrates how, when when operating with a shroud of secrecy, people automatically suspect that you are not playing above the board. By dropping this shroud of secrecy the wheat board could avoid many of these problems.

When the wheat board came into being, it was a dual marketing system. That is what farmers want again. The time has come for the government to give Canadians the accountability it promised in its red book, and put an end to the secret dealings of government organizations like the wheat board.

The Reform Party has always stressed the need to be more accountable and responsible to the people who elected us. We have always stated clearly that the common sense of the common people should be respected. They have the right to be consulted on public policy matters. They have the right to govern themselves through truly representative and responsive institutions.

In the Liberal government's red book it states: "People are disappointed by and irritated with the poor quality of service provided by many public institutions, given the cost of government and the taxes the government are taking out of citizens' pockets. A Liberal government will take a series of initiatives to restore confidence in these institutions of government. Open government will be the watchword of the Liberal program".

We have been waiting for evidence of that open government, but so far it has been lacking. Canadians have watched in frustration as billions of dollars were funnelled through crown agencies such as the CBC, Canada Post and the wheat board, and they are waiting for action.

The time for that action is now. This non–partisan motion can be supported by all members of the House because it goes beyond party politics and achieves a purpose that is equally important to Canadians from coast to coast.

• (1815)

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, I welcome the opportunity to address the motion raised by the member for Red Deer. I compliment him on raising the issue of public access to information held by crown agencies and Parliament.

It is obvious from the debate that has ensued from the motion, and indeed from the voices of Canadians across the country, that there is need for greater openness and accountability in government. I agree with the spirit and objectives of the motion of the member of the Reform Party. I cannot, however, lend my support to it because I find it is lacking the comprehensiveness needed to achieve appropriate improvements.

In keeping with our commitment to make government more accountable, open and honest while at the same time controlling costs, the justice minister fully intends to consult with Canadians to develop more comprehensive and up to date access to information legislation.

My constituents in Etobicoke—Lakeshore along with other Canadians are calling for updated and forward thinking legislation. It must involve a careful examination of the complete framework of the Access to Information Act, with careful consideration being given to each institution. By expanding the coverage of the Access to Information Act to Parliament and crown agencies, as the member has suggested, all practical implications must be taken into account.

In our efforts to control the deficit and achieve economic recovery the government has had to modernize programs, making them more effective and cost efficient. The values of openness must be balanced with fiscal responsibilities. I believe it is the government's role to assist Canadians in the evolution that is currently taking place across Canada and around the world. That is why the government is looking at ways to enhance public access to information.

With the explosion of new technology and the evolution of government policies greater openness and transparency are needed to ensure that government structures and programs are geared to the highest priorities of Canadians. The Liberal government's policy defined in the red book is to promote more open and accountable government. Our commitment to it is demonstrated in the introduction of several initiatives aimed at restoring government integrity. The review of agencies, boards and commissions, the introduction of amendments to the Lobbyists Registration Act, and reduced costs in the operation of the House of Commons are just a few of the initiatives.

Canadians are demonstrating faith in Parliament. According to an international poll conducted by the *Times Mirror* in the U.S., Canadians ranked highest among the eight of the world's richest countries in confidence in their legislative institutions. Our Prime Minister has said that we have managed to restore the prestige of this institution. It is a credit to all members of Parliament who were elected, whatever their opinions and options.

With this in mind I believe we should look beyond the motion and support and participate in the justice minister's upcoming review of the access to information legislation. The opinions of access experts, the information commissioner and individual Canadians who have an interest in the act should be taken into account.

Numerous recommendations have been made since the act came into effect in 1982 by the two successive information commissioners. Its effectiveness as a supporting tool to democracy has been monitored and assessed over the years through the courts and by a parliamentary committee of the previous government. Most recently recommendations have been submitted to the information commissioner advising a broadening of the access law. One by one the provinces have been enacting their own access legislation, including Ontario.

This too must be assessed in the modification of this very important legislation. In our review we must be sure to look to the example of other foreign democratic governments that have developed similar legislation.

The people of Etobicoke—Lakeshore continually remind me of the importance of incorporating new technologies into more efficient and open government. They tell me to remind the justice minister that his review must be sure to take into consideration the advice of the information highway advisory council and the blueprint for improving government services with new technologies. This thorough review will go steps further than the motion does. It is the best way to ensure enhanced openness of government for Canadians.

• (1820)

I also question the addition of other agencies to the existing legislation. I agree with the suggestions of my constituents that the government consider improvements to the existing legislation rather than simply adding agencies to the current schedule list.

The recent report of consultants to the information commissioner has recommended measures such as increases to request fees, swifter and more open responses, a reduction in years for accessibility to cabinet documents, et cetera. The recommendations should be considered, focusing on government account-

ability rather than, as the motion proposes, expanding the legislation to cover more independent agencies.

Crown agencies independent of the government should be subjected to scrutiny. This is provided for in other ways. In this area of the legislation our priority should be planning for a modernized access act that benefits Canada through open and accountable government.

The hon. member for Red Deer stated in his motion that he would like to see Parliament and crown agencies subjected to scrutiny under the Access to Information Act. The motion would give a general definition to crown agencies. This open ended wording does not define exactly or take into consideration the individual circumstances of the various agencies.

Modified access legislation should take care to carefully define the specific relevance of institutions to the federal government. We would be wise to follow the listing methods contained in the majority of provincial access legislation. Different laws apply to different institutions and the different laws may constitute varying applications of the law.

The wording of the motion could also lead to increased litigation in an already overflowing courts system. I can easily foresee differing interpretations of the law being used by an agency in an attempt to exempt itself from the access legislation. This would eventually end up in the courts, further burdening the legal system.

In this manner the motion would only serve to decrease the efficiency of an institution while increasing the cost to taxpayers. That is not the goal of the Liberal government.

Before considering such broad legislation suggested by the Reform Party member, one must take into consideration the implications of the motion on Parliament. It is important to protect the personal information of a constituent when considering applying the access act to the offices of members of Parliament and senators. All sorts of questions arise and we must ensure that greater thought be given to the privacy of the individual taxpayer. Any legislation must therefore be precise in its purpose and the motion is certainly not precise.

I believe the motion was an excellent stimulant for initial debate on the subject of access to information and government openness. The motion offered general amendments to an act that requires more detailed reworking. Knowing that the justice minister is planning a more full and comprehensive review of the Access to Information Act I cannot support the member's motion. Further, I cannot emphasize enough the value I place in a thorough consultative process with the Canadian people.

[*Translation*]

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, it is with pleasure that I rise today to speak on Motion M–304 brought forth by the hon. member for Red Deer with respect to the Access to Information Act and the Privacy Act.

The objectives stated by the hon. member for Red Deer tend to be very similar to those of my own party. As a matter of fact, in our view of democracy, it is very important that public financial management be characterized by transparency and openness.

• (1825)

All the hon. members of this House were elected by people who want and have a right to know how their money is managed, this money we take off their pay cheques every week for taxes of all kinds. The people of Quebec in particular want to know what the Canadian government is doing with their money and what they get back in return.

The Access to Information Act is one of the tools available to them and I think it should be amended to apply also to crown corporations such as Air Canada and Canada Post Corporation, government agencies such as the Senate as well as public office holders who report directly to Parliament, like the Commissioner of Official Languages and the Auditor General of Canada.

As I said, the Bloc Quebecois firmly believes that public administration should be as transparent as can be in a democratic regime. But this is not always the case here. Too many government institutions are still not subject to the Access to Information Act and I think that it is high time that the scope of this act be broadened to force these institutions to operate in a more upright and honest way.

The government continues to hide far too much information that could be useful to the public. Take the Senate for example. Partisan appointments to some of the best paid positions in the government are made by the party in office. The public has no say in the process, nor does it have access to the information circulating within the ranks of the government. That, in my opinion, is not very transparent.

Yet, transparency is essential to regain the confidence of taxpayers who are increasingly wondering about the way their money is spent, considering the national debt and the numerous cuts to social programs and other government services.

In his Throne Speech made in January of last year, the Prime Minister said, and I quote: "The Government is committed to enhancing the credibility of Parliament. Changes will be proposed to the rules of the House of Commons to provide Members of Parliament a greater opportunity to contribute to the development of public policy and legislation". The Prime Minister also

said that, to achieve this agenda, integrity and public trust in the institutions of government were essential.

It goes without saying that a relation of trust between the government and the public is vital. However, we realize that no such relation exists when we see the resentment shown by Canadians toward the federal government.

This is an opportunity for the Prime Minister to give weight to his words by taking concrete legislative measures to ensure greater transparency within the public institutions and agencies.

Of course, the Access to Information Act plays an important role in providing information to which the public is entitled. However, we must not forget that certain types of information must remain confidential so as not to prejudice the competitive position of certain Crown corporations.

The relevant legislation, the Privacy Act, is particularly important because it has the effect of protecting information, the disclosure of which might be injurious to national security. That is why this confidentiality has been recognized by means of exemptions provided under the Act. It also protects the interests of individuals, both with respect to personal information and information of a commercial nature. However, it is probably true that the corporations and institutions exempted from this legislation are not necessarily motivated by concern that information might be disclosed to competitors but may be simply reluctant to reveal to the public certain threatening aspects of their activities.

In any case, the complexities of a system for access to information on government administration are well beyond the scope of the motion presented by the hon. member for Red Deer. Here the concern is not, as it says in the motion, to require that Parliament and crown agencies be subject to scrutiny under the Access to Information Act. As we have seen, there are two sides to this issue: providing access to information while reinforcing measures to protect privacy.

That is why the Bloc Quebecois, in the name of our democratic principles and in its resolve to increase the transparency of the present system, agrees with the report of the Standing Committee on Justice and Solicitor General released in March 1987, which recommended that the Access to Information Act should apply to all federal institutions, including administrative tribunals and the Senate.

• (1830)

The Bloc Quebecois insists above all on the importance of full transparency, especially with regard to the Senate. As I said earlier in this House, people are entitled to have access to information issued by this non-elected level of government.

Quebecers and Canadians are dissatisfied with the present government, which keeps important information from them and which ignores them by not taking their views into consideration and dealing with important public matters in secret.

They are unhappy with the treatment they receive from federal institutions, public servants, politicians and the government machine. This is why the Bloc Quebecois agrees with the essence of Motion M-304 and believes the Access of Information Act should apply to all publicly funded government institutions. It is time to get on with it and implement real and effective access to information legislation that will reflect our concern for true and just democracy.

[*English*]

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, I would like to congratulate the hon. member for Red Deer for putting this motion forward.

At a time when Canadians are losing trust in their political institutions, all of us must be active in finding ways to promote more open and accountable government. However, in searching out these various ways to promote more open and accountable government, we must recognize that our institutions face a variety of other challenges equally important to Canadians.

People in my riding of York—Simcoe and Canadians from across the country want government to cost less, to be more efficient and to operate in a more businesslike manner. In some cases, it may be necessary to balance the value of openness with these other values. Although I find the objectives behind the motion laudable, I cannot support this motion for three reasons.

First, we must be concerned about the impact the motion will have on the competitive position of crown corporations. I do not say the impact is great or small, merely that before adopting this motion I would want to hear directly from those crown corporations on this issue.

Second, in these times of fiscal restraint we must stop and ask what this motion will cost the taxpayers and how those costs will be paid. Processing access requests requires an access to information bureaucracy and costs money.

The third reason I cannot support the motion is that it fails to distinguish between different kinds of crown agencies and different institutions of Parliament. The motion is too broadly worded. As such, it disagrees with the findings of the 1986 parliamentary committee report "Open and Shut" and with the most recent report of the information commissioner.

Returning to my first reason for opposing the motion, I am not convinced it has struck the proper balance between the compet-

ing values of open and accountable government on the one hand and the smaller, more efficient government on the other hand.

The motion asks that crown agencies be subject to the scrutiny of the Access to Information Act. There are presently more than 130 crown agencies subject to the act. I assume the hon. member means by crown agencies, those crown agencies not yet subject to the act. I assume he is referring at least in part to crown corporations.

It is with respect to crown corporations that the balance between efficient, competitive businesslike crown agencies and open accountable enterprise becomes most important. The basic question is whether crown corporations which have mandates to operate in a businesslike fashion, sometimes in competition with the private sector, should have to work under different rules than their competitors.

If we believe that crown corporations should act like businesses then why would we impose a different set of rules on them? Of course, if we believe crown corporations should not be competing with the private sector at all, that is a completely different question. Subjecting the crown corporations to the scrutiny of the Access to Information Act will not terminate the crown corporations, if that is the goal. It will simply make them less competitive, more expensive and less efficient.

I would not want to make a decision on the motion before the House until I know more about the implications. I am not prepared to support the motion at this time.

Also, I do not support this motion because we do not have enough information about what the potential costs to the taxpayers will be. Processing access requests costs taxpayers money. The most recent report of the information commissioner says that the annual costs of processing access requests is $20 million and that the current fees are not designed to recover costs but merely to deter trivial requests.

• (1835)

Adding institutions to be covered by the Access to Information Act is saying that the government needs to spend more money. Where will this money come from? How much will it cost? Whatever it costs, we know it is a cost that private business does not have to incur. Therefore it will make crown corporations less competitive, at least to the extent of the cost of processing access requests.

I do not say that the costs of processing access requests cannot be justified. The information commissioner says that the $20 million is a bargain for such an essential tool of public accountability and I think he is right. We should not adopt motions based on good intentions without first asking the basic questions of how much it will cost and who will pay.

As well, I am reluctant to support the motion is because of the report of the parliamentary committee that examined the Access to Information Act in 1986. Its report is called "Open and Shut". That committee considered a broad range of entities which might be made subject to the Access to Information Act.

The committee concluded it would not be appropriate for all crown agencies to be made subject to the act. It thought a definition of crown corporations should be developed and should be limited to corporations where the crown has a controlling interest and which provides goods or services to the public on a commercial basis.

The committee thought there should be special exemptions for the Canadian Broadcasting Corporation in relation to program material.

With respect to Parliament, the parliamentary committee was of the view that the offices of senators and members of the House of Commons should be excluded from the scrutiny of the act. It said that the relationship between such elected and appointed officials and the electorate is sometimes described as akin to solicitor–client privilege. Parliamentary privilege is involved and therefore the committee suggested their continued exclusion from the scope of the act.

The committee thought that the Access to Information Act should not apply to the judicial branch of government and therefore not to the Federal Court, the Tax Court or the Supreme Court of Canada. Perhaps surprisingly, the committee thought the act should apply to administrative tribunals which perform quasi–judicial functions.

The committee recognized that the federal government is involved in joint ventures with others, notably the provinces. In those cases it thought it would be best if there were negotiations with the provinces before making such joint ventures subject to the Access to Information Act.

Here we have a parliamentary committee that studied the issues very carefully. The committee's considered conclusion was that it would go too far to include all crown agencies. At least in the case of the CBC, it saw merit in examining the special circumstances of crown corporations that would become subject to the act. It saw merit in excluding courts, MPs' offices and federal–provincial joint organizations.

I am not prepared to say that the parliamentary committee was wrong in making these judgments. I think it goes too far to say in a sweeping statement that Parliament and all crown agencies should be subject to the Access to Information Act.

I support a comprehensive careful review of the Access to Information Act. I will support amendments aimed at improving access to government information. I may well support extending

the application of the Access to Information Act to crown agencies not yet covered by the act.

However, I cannot support a motion that fails to distinguish between various kinds of crown agencies that might make the correspondence I receive from my constituents automatically subject to the act and that is voted on without hearing from executives of the crown agencies not presently subject to the act.

The better approach is to take the Minister of Justice at his word that it is time for a review of the Access to Information Act. Let him draw upon all the expertise we can acquire and use the full parliamentary procedures, including committee hearings, to produce the best set of amendments possible.

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, I rise today to take part in this very important debate on Motion No. 304. This is a motion which I believe everyone in the House should support. What better way to show Canadians that we got the message the people sent a little more than a year ago?

If we can ever say that when Canadians go to the polls they speak with one voice, it was in the results of the 1993 election. The electorate wanted fundamental changes to the way politics are conducted in this country. Canadians took great pains to ensure that a message was sent throughout the political world.

If politicians ever thought they were above the people or in some cases above the law, that election proved to be a great leveller. Now that we are here, it is important we do not breach the trust which was placed in us.

• (1840)

Parliament is subject to the charter of rights and freedoms. How can Parliament and the crown agencies establishes and is a shareholder in not be subject to the Access to Information Act? A committee in the last Parliament studying the Access to Information Act likened it to the charter as one of the fundamental tenets of our society. Therefore it seems to me that if we are bound by one we should be bound by the other.

I know the Access to Information Act is used by opposition MPs and the press to dig up as much dirt as they can in order to embarrass the government during question period. The concern on the government side must be that if the access net is cast even further, that it will simply involve more work being put into question period presentations. The potential for embarrassment will simply be enlarged. That could happen.

Is the answer not simply to ensure there is no potential for embarrassing matters to be brought to light under the access procedure by assuring that crown corporations are run in a sound and efficient manner? The answer is not to limit the application of the Access to Information Act but to ensure MPs and crown corporations act in a responsible manner with taxpayers' dollars.

We are here to exercise a trust. That trust has been placed in us by the people of Canada. We are to be good stewards of the taxpayers' dollars. The money collected by Revenue Canada is not our money to do with as we please; it belongs to the people of Canada. If we keep this in mind every time we do something on this hill or in our constituency offices, then we have nothing to fear from the Access to Information Act. We have everything to gain.

Suppose that tomorrow we all became subject to the act, then weeks go by without any stories in the press about mismanagement of public moneys or about trips being taken which could not be justified. Think about how that would raise the opinion of the electorate in this group it elected in 1993.

Surely the same reasoning applies to crown corporations. With them not subject to the act, there is a perception that something is going on behind closed doors. All of us have been here long enough now to have participated in in camera meetings of committees. The perception is that once the doors are closed and the sound recording is turned off, real and momentous decisions are made which affect the life of this country.

Those of us who have participated in those in camera meetings know that nothing is further from the truth. However, the perception is that we should open up the process; open up the process for both parliamentarians and crown corporations. Between us and the crown corporations billions of dollars of taxpayers' money are spent, presumably for the good of the country. If this is the case, then the public has a right to know. If it is not the case, then surely letting the public know becomes a first step along the road to cleaning up waste and mismanagement.

The rule of law is the foundation upon which our system of government is built. It was established hundreds of years ago in Great Britain during the reign of the Stuart kings that no one, not even the crown, is above the law. This is the cornerstone of the rule of law. We are all equal under the law and no one is above the law. We are equal in that the law applies to every one of us in the same way. Be we rich or poor, white or black, it applies equally.

Again, no one is above the law. No matter how high you have scaled the corporate ladder, no matter which political office you occupy either federally or municipally, when you look up, the law of the country is still above you.

If these beliefs are true, and we all know they are, then how can we work here knowing that a law which is designed to open certain parts of government to public scrutiny does not apply to us and to the crown corporations? I do not believe we can justify this situation. We must act to ensure that laws such as the Access to Information Act apply equally to all, including politicians.

This will send an important message back to the electorate. It will show that we have learned from the mistakes of the past. We have learned to listen to the people of Canada and act upon what we have heard.

We have a message and the message is loud and clear: We are to be frugal stewards with taxpayers' money. We are not to receive anything more in the way of benefits than the ordinary taxpayer. And we are not ever to assume that we are above the law.

Parliament must act and let the sun shine in. It must act in a positive way to tell Canadians it has nothing to hide. We have been good in this Parliament in this regard. We have opened up to scrutiny the meetings of the Board of Internal Economy which would have been unthinkable in years gone by. It is important that we send out the message that we are open to scrutiny ourselves. If we have nothing to hide then why put up barriers? If there is something to hide then we and the crown corporations are not acting in the best interest of the taxpayers. This deserves to be exposed.

I urge all members from all parties to support the motion. The end result will be a strong message sent to the government to amend the Access to Information Act. It will then be up to the government to show that it still stands behind the promise of openness it made in the last election.

I seem to remember the Liberals promised openness and fair play in that red book they keep talking about. They promised openness and fair play to the Canadian people. Passage today of motion 304 will help to do this.

We on this side of the House will be waiting and watching. The people of Canada will be waiting and watching. If the government does not act on this matter we can rest assured the people of Canada will act at the next election and elect a group that will let the sun shine in on Parliament and its workings.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, it is truly a pleasure to stand today to close the debate on M–304, a motion to extend access to information to Parliament and crown corporations.

This will demonstrate the openness of Parliament and the accountability and transparency of government. I have been very impressed with the quality of the speeches and how many people have spoken positively about the motion.

Basically four concerns have been raised which I would like to address very quickly. The first concern is that members' private business and budgets would come up for more detailed scrutiny. Mr. John Grace, the access to information commissioner, assures me there are protections within the present act so that would not be threatened.

The second concern is that there will be changes to the Access to Information Act and that it is on the justice minister's timetable. The justice minister is extremely busy right now and I would question how soon access to information would come up.

The third concern which has been raised is that the motion did not have enough detail in it. That concern was addressed probably better in the last Parliament when a number of Liberal members said that we did not need to have all that detail. Besides, this is a motion and the details can be added.

The fourth concern mentioned was that the competitiveness of crown corporations would be affected. I would like to read this from the access commissioner to assure members that it would not be the case. It states:

> It is my view that the existing exemption provisions provide the necessary protection for sensitive information in the hands of crown corporations. Sections 18 and 21 provide ample opportunity for crown corporations to provide valuable information as well as corporate strategies and plans.

Therefore I do not believe that is a concern.

Because those things are not a concern and because this is a non–partisan issue, I strongly ask that all members consider voting yes for M–304.

[*Translation*]

The Deputy Speaker: It being 6.49 p.m., pursuant to Standing Order 93, the time provided for this debate has now expired.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion, the yeas have it.

And more than five members having risen:

The Deputy Speaker: Call in the members.

• (1905)

[*English*]

And the bells having rung:

The Deputy Speaker: As is the practice, the division will be taken on a row by row basis starting with the mover and then proceeding with those in favour of the motion sitting on the same side of the House as the mover. Then those in favour of the

motion sitting on the other side of the House will be called. Those opposed to the motion will be done in the same order.

(The House divided on the motion, which was negatived on the following division:)

(Division No. 177)

YEAS

Members

Abbott	Ablonczy
Bellehumeur	Benoit
Bergeron	Bhaduria
Breitkreuz (Yellowhead)	Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)	Bélisle
Caron	Chatters
Cummins	Daviault
Debien	de Savoye
Deshaies	Duceppe
Dumas	Duncan
Epp	Fillion
Forseth	Frazer
Gagnon (Québec)	Gauthier (Roberval)
Gilmour	Godin
Gouk	Grubel
Guay	Hanrahan
Harper (Calgary West)	Harper (Simcoe Centre)
Hayes	Hermanson
Hoeppner	Jacob
Jennings	Johnston
Landry	Langlois
Laurin	Lavigne (Beauharnois—Salaberry)
Lebel	Lefebvre
Leroux (Richmond—Wolfe)	Leroux (Shefford)
Loubier	Manning
Mayfield	McClelland (Edmonton Southwest)
Mercier	Meredith
Mills (Red Deer)	Morrison
Nunez	Paré
Penson	Pomerleau
Ringma	Rocheleau
Schmidt	Silye
Solberg	Solomon
Speaker	Stinson
Strahl	Thompson
Tremblay (Rosemont)	Wayne
White (North Vancouver)	Williams—74

NAYS

Members

Alcock	Arseneault
Assad	Baker
Barnes	Bertrand
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Brushett	Bryden
Bélair	Bélanger
Calder	Campbell
Clancy	Collins
Cowling	Crawford
DeVillers	Discepola
Duhamel	Eggleton
English	Fewchuk
Finestone	Finlay
Flis	Gagliano
Gerrard	Godfrey
Goodale	Gray (Windsor West)
Grose	Guarnieri
Harb	Harvard
Hickey	Hopkins
Hubbard	Ianno
Irwin	Kirkby
Knutson	Kraft Sloan
Lincoln	Loney
MacAulay	MacDonald
MacLellan (Cape/Cap–Breton—The Sydneys)	Malhi
Maloney	Martin (LaSalle—Émard)
McGuire	McKinnon
McTeague	McWhinney
Mifflin	Mills (Broadview—Greenwood)
Mitchell	Murphy
Murray	Nault
Nunziata	O'Brien
Pagtakhan	Paradis
Patry	Peters
Phinney	Pillitteri
Proud	Reed
Regan	Robichaud
Rompkey	Serré
Skoke	St. Denis
Steckle	Stewart (Brant)
Telegdi	Thalheimer
Torsney	Valeri
Vanclief	Verran
Wappel	Wells
Whelan	Wood
Zed—93	

PAIRED MEMBERS

Members

Asselin	Bachand
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Bouchard	Brien
Caccia	Canuel
Chamberlain	Chan
Chrétien (Frontenac)	Crête
Culbert	Dalphond–Guiral
Easter	Fry
Gaffney	Guimond
Harper (Churchill)	Jackson
Lavigne (Verdun—Saint–Paul)	Marchand
Parrish	Peric
Picard (Drummond)	Sauvageau
Simmons	St–Laurent
Szabo	Ur

• (1915)

The Deputy Speaker: I declare the motion lost.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

BASE CLOSURES

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I should like to take this opportunity to pursue a question that I asked of the minister responsible for ACOA last week.

I asked him if he would explain to the House why he cut millions of dollars from a national defence program set up to help Atlantic Canadian communities hurt by base closures.

The Department of National Defence transferred the $30 million program to ACOA because the regional agency is believed to be in the best position to deliver such programs in Atlantic Canada. The ACOA minister has turned around and slashed $10 million from the program.

When I asked the minister to explain the cuts, the parliamentary secretary to the ACOA minister said that the government would take my concerns under advisement.

That is not a good enough answer for the people's whose lives will be affected by the minister's actions. Maybe the reason the minister cannot offer an explanation is that he knows there is no way to justify what he has done. He is playing with people's livelihood. Even members of his party are appalled by his antics. The hon. members for Dartmouth and Moncton, just to name a couple, are on the record in their opposition to the ACOA minister's actions.

The Minister of National Defence has said:

> The $30 million is for base closure. The $30 million was given by defence to ACOA for base mitigation. Thirty million will be spent for base mitigation.

The money was given to ACOA in trust to help people hurt by the base closures imposed by the government. It was supposed to help hard hit towns and cities attract industry to replace lost armed forces jobs and military spending, which is known as permanent infrastructure in the communities.

The Prime Minister made a commitment to help these communities. It is not ACOA's money to take away, even if the finance minister has asked ACOA to make cuts to its own budget.

In fact an editorial in an Atlantic Canadian paper put the minister's actions in very clear light. It said: "If your father gave you $30 for your brother, you would have no right to keep $10 for yourself because your father also asked you to cut back on your own spending".

• (1920)

The same is true of ACOA and the minister responsible for ACOA. ACOA was asked to do a task and does not have the right to redefine the terms of that task after the fact. However, it seems the minister believes he does not need to answer to anyone, at least not to the people who will suffer at his hands.

The minister has cut the ACOA board, which is supposed to represent all of Atlantic Canada, and has put the focus of the board in his own riding of Cape Breton—East Richmond, known as the Cape Breton Enterprise Board. According to reports, he has handed out over 183 projects to his riding, totalling at least $15 million last year. He did that before he announced a change to the ACOA funding to allow for repayable loans.

The minister has refused to tell the Saint John *Telegraph Journal* the findings of a 1992 company by company job survey for ACOA, even though the federal information commissioner ruled in the paper's favour. Perhaps the minister believes that taxpayers do not have a right to information paid for with their dollars.

I placed a question on the Order Paper about the financial assistance provided to each federal riding and Atlantic Canada by ACOA on October 4, 1994. That was 172 days ago and I have yet to receive an answer.

Does the minister responsible for ACOA believe he should be accountable to anyone? Does he believe he should be accountable to Canadian voters who are also taxpayers? If he does believe this, then he would not only explain to Atlantic Canadians why he cut $10 million from a fund designed to help communities hurt by base closures, but he would also tell them how he plans to rectify the situation.

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, this has been a tough time and a tough budget. After 10 years of Conservative economic and fiscal management, or perhaps I should say mismanagement, these measures were long overdue.

It was a fair budget. ACOA's continued existence is a testament to this government's commitment. The bottom line nevertheless is that ACOA was cut. Of the overall $562 million cut to regional development, ACOA was asked to absorb over 30 per cent of that, or $173.5 million over the next three years.

Consistent with the overall reduction, the base closure adjustment fund was reduced by $10 million, or 30 per cent. It is completely incorrect to refer to the base closure adjustment program as a trust fund. The base closure adjustment program is administered by ACOA and was thus included in the budgetary review process.

Let us remember that after reductions there still will be $20 million available to address adjustment measures in the affected communities. ACOA will take a leadership role in working with the communities affected by base closures and by these tough but fair budget measures. ACOA will strive to maximize benefits with the remaining $20 million. It will ensure that every effort is made to apply its full array of other program instruments to address economic development programs in these communities.

[*Translation*]

The Deputy Speaker: Pursuant to Standing Order 38(5), the motion to adjourn the House is now deemed to have been adopted.

Accordingly, this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.24 p.m.)

HOUSE OF COMMONS

Thursday, March 23, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 20 petitions.

* * *

[*English*]

ORDER IN COUNCIL APPOINTMENTS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I am pleased to table, in both official languages, a number of order in council appointments made by the government.

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

* * *

ABORIGINAL AFFAIRS

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, under the provisions of Standing Order 32(2), I have the honour to table, in both official languages, copies of a special report entitled "Treaty Making in the Spirit of Co–existence" prepared by the royal commission on aboriginal people.

* * *

• (1005)

[*Translation*]

COMMITTEES OF THE HOUSE

HUMAN RESOURCES DEVELOPMENT

Mr. Francis G. LeBlanc (Cape Breton Highlands—Canso, Lib.): Madam Speaker, I have the honour to present the second report of the Standing Committee on Human Resources Development concerning Bill C–77, which was adopted with amendments.

* * *

[*English*]

WITNESS PROTECTION PROGRAM ACT

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.) moved for leave to introduce Bill C–78, an act to provide for the establishment and operation of a program to enable certain persons to receive protection in relation to certain inquiries, investigations or prosecutions.

(Motions deemed adopted, bill read the first time and printed.)

* * *

RAIL STRIKE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, in light of the serious rail strike afflicting the country which has been going on all week, I move:

> That, notwithstanding any standing order, at the conclusion of Private Members' Business this day the House shall continue to sit in order to consider the report stage and the third reading stage of Bill C–77, an act to provide for the maintenance of railway operations and subsidiary services; that, for the purposes of this order, notice of any report stage amendments may be submitted to the Clerk no later than 5.00 p.m.;
>
> That during the consideration of the aforementioned business no divisions may be deferred to another sitting day; that immediately after disposing of the third reading stage of the said bill the sitting shall be suspended to the call of the Chair, when it shall be reconvened for the sole purpose of a royal assent;
>
> That, when the House returns from the said royal assent, it shall be adjourned until the next sitting day, provided that if a royal assent has not taken place by 9.00 a.m. on March 24, 1995, the House shall be reconvened for the sole purpose of being adjourned until 10.00 a.m. on that day.

I seek the unanimous consent of the House for this motion.

The Acting Speaker (Mrs. Maheu): Does the parliamentary secretary have unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

Mr. Blaikie: Madam Speaker, on a point of order. I would like to make it clear that in view of the changes made by the government to the legislation in committee last night in response to suggestions I made during question period yesterday, the NDP would like to go on record as giving unanimous consent this morning to the request by the government.

[*Translation*]

Mr. Duceppe: Madam Speaker, this is not a point of order. I realize the hon. member for the NDP in engaged is some face–saving, but this is not a point of order.

[*English*]

Mr. Milliken: Madam Speaker, I will try something else which might be more acceptable to members of the House. If they do not wish to sit late tonight to deal with the bill, I am going to seek now by way of a motion that we deal with the bill tomorrow. I move:

That, notwithstanding any standing order, the report stage and third reading stage of Bill C–77, an act to provide for the maintenance of railway operations and subsidiary services, may be taken up on March 24, 1995, provided that no divisions requested during the aforementioned business may be deferred to another day.

The Acting Speaker (Mrs. Maheu): Does the parliamentary secretary have unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

[*Translation*]

Mr. Duceppe: Madam Speaker, we have already told the government that we are prepared to settle this matter very quickly. In this case, as far as parliamentary procedure is concerned, if the government had the decency to consult us beforehand, we could talk about it. Since it did not, for the time being, the answer is no.

• (1010)

[*English*]

Mr. Blaikie: Madam Speaker, on the same point of order I would like to make it clear that the NDP gives its consent to this. I urge the Bloc to reconsider its position.

Mr. Milliken: Madam Speaker, I will try another technique. If members do not wish to deal with this bill tomorrow, I move:

That, notwithstanding any standing order, the House shall sit at 9.00 a.m. on March 25, 1995 and at 1.00 p.m. on March 26, 1995 for the purpose of considering Government Orders and, if necessary, for the purpose of attending a royal assent ceremony.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Madam Speaker, I move, pursuant to Standing Order 56(1):

That, notwithstanding any standing order, the House shall sit at 9.00 a.m. on March 25, 1995 and at 1.00 p.m. on March 26, 1995 for the purpose of considering Government Orders and, if necessary, for the purpose of attending a royal assent ceremony.

The Acting Speaker (Mrs. Maheu): Will those who object to the motion please rise?

And less than 25 members having risen:

The Acting Speaker (Mrs. Maheu): Adopted.

(Motion agreed to.)

* * *

PETITIONS

GUN CONTROL

Mrs. Jane Stewart (Brant, Lib.): Madam Speaker, I am tabling two petitions in which the petitioners request that Parliament support legislation which will improve public safety and reduce the criminal use of guns.

JUSTICE

Mrs. Jan Brown (Calgary Southeast, Ref.): Madam Speaker, I rise once again to present another petition in this course of action undertaken on behalf of constituents who wish to halt the early release from prison of Robert Paul Thompson.

The petitioners I represent are concerned about making our streets safer for our citizens and they are opposed to the current practice of early release of violent offenders prior to serving the full extent of their sentences.

The petitioners pray that our streets will be made safer for law–abiding citizens and the families of the victims of convicted murderers.

• (1015)

HUMAN RIGHTS

Mr. Tony Valeri (Lincoln, Lib.): Madam Speaker, pursuant to Standing Order 36, I wish to table two petitions. One is signed by the constituents of Lincoln and the second is signed by the constituents of Hamilton East.

The petitioners request that Parliament not amend the Canadian Human Rights Act or the Charter of Rights and Freedoms so they would provide for the inclusion of the phrase sexual orientation.

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Madam Speaker, these petitioners believe that the inclusion of sexual orientation in the Canadian Human Rights Act will provide certain groups with special status, rights and privileges.

They also believe that it will infringe on the historic rights of Canadians, such as freedom of religion, conscience, expression and association. They oppose any amendments to the Canadian Human Rights Act.

ASSISTED SUICIDE

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Madam Speaker, I wish to present a petition wherein the petitioners request that Parliament ensure that the present provisions of the Criminal Code prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, I have two petitions to present today pursuant to Standing Order 36.

The first petition is from a number of residents in my constituency of Regina—Lumsden and pertains to the Criminal Code of Canada, section 241, which states "everyone who counsels a person to commit suicide or (b) aids or abets a person to commit suicide, whether suicide ensues or not, is guilty of an indictable offence and liable to imprisonment for a term not exceeding 14 years".

The petitioners request that Parliament not repeal or amend section 241 of the Criminal Code in any way and to uphold the Supreme Court of Canada decision of September 30, 1993 to disallow assisted suicide and euthanasia.

THE SENATE

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, my second petition is signed by a number of constituents as well as people from Quill Lake, Saskatoon, and parts of Regina, Saskatchewan. This pertains to the Senate.

The petitioners do not believe the Senate is accountable, is not elected, has become the home of patronage appointments of Liberal and Conservative Prime Ministers and it costs the taxpayers about $60 million each year. They request that Parliament abolish this institution which they feel does not provide Canadians with anything.

HUMAN RIGHTS

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Madam Speaker, I have three petitions to present, pursuant to Standing Order 36. The certifiers must be very busy because they have just listed the pages and not the total number of signatories.

The first petition says that because of the inclusion of sexual orientation in the Canadian Human Rights Act it will provide certain groups with special status, rights and privileges; and because these special rights and privileges would be granted solely on the basis of sexual behaviour; and because inclusion would infringe on the historic rights of Canadians such as freedom of religion, conscience, expression and association, the petitioners call on Parliament to oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms which would provide for the inclusion of the phrase sexual orientation.

The signatories come basically from the Langham, Asquith and Saskatoon area.

INCOME TAX

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Madam Speaker, the second petition is signed by people in the Unity–Lloydminster area.

The petitioners state that as citizens of Canada they wish to bring to the attention of the House that Canadians are already overburdened with taxation due to high government spending and that the federal government is considering high tax increases in the next federal budget, which of course has already passed.

They pray and request that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending. Of course that part or the petition still applies.

There are 24 pages of signatures on this petition.

JUSTICE

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): The third petition, Madam Speaker, is from the Kindersley–Luseland area in my constituency but also from parts of Manitoba.

The petitioners request Parliament to consider that Robert Latimer was sentenced to life imprisonment for second degree murder with no chance of parole for 10 years. They state the law should be flexible and based on the individual. They further state his sentence is unfair and out of proportion and petition Parliament to grant Robert Latimer of Wilkie, Saskatchewan a pardon conditionally or unconditionally for his conviction of second degree murder in the death of Tracy Latimer, his daughter.

• (1020)

YOUNG OFFENDERS ACT

Mr. Stephen Harper (Calgary West, Ref.): Madam Speaker, I have five petitions to present on various subjects. The first petition is signed by 318 residents of the city of Calgary. I understand it is part of a much larger petition involving the signatures of 64,000 Albertans.

It calls for changes to the Young Offenders Act. The petitioners want an act serious enough to deter young people from committing crimes and tough enough to provide real justice. They ask Parliament to amend the Criminal Code of Canada and the Young Offenders Act accordingly.

ASSISTED SUICIDE

Mr. Stephen Harper (Calgary West, Ref.): Madam Speaker, the second petition is signed by 50 residents of the city of Calgary.

The petitioners pray that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

HUMAN RIGHTS

Mr. Stephen Harper (Calgary West, Ref.): Madam Speaker, the third petition is signed by 50 residents, principally of the city of Calgary.

The petitioners call on Parliament to act quickly to amend the Canadian Human Rights Act to prohibit discrimination on the basis of sexual orientation, and to adopt all necessary measures to recognize the full equality of same sex relationships in federal law.

I have also received a petition on the same subject matter from 37 residents of the city of Calgary that asks that Parliament not extend spousal benefits to homosexuals living together as a couple in order to prevent further damage to our already overburdened benefit system.

I have 37 signatures from residents of the city of Calgary that ask that Parliament not include the phrase sexual orientation in the Charter of Rights and Freedoms, or in the human rights code, or in the Canadian Human Rights Act, in order to preserve the equality and personal freedom of all Canadian citizens and in order to safeguard the economy of our country.

This is obviously a very contentious issue in the city of Calgary, given the conflicting nature of the opinions expressed in the last three petitions.

RIGHTS OF THE UNBORN

Mr. Tom Wappel (Scarborough West, Lib.): Madam Speaker, I have three petitions this morning. The first petition is signed by about 70 residents of the western portion of Toronto.

It prays that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

ASSISTED SUICIDE

Mr. Tom Wappel (Scarborough West, Lib.): Madam Speaker, the second petition is signed by constituents in Scarborough West.

It prays that Parliament ensure that the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously, and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

HUMAN RIGHTS

Mr. Tom Wappel (Scarborough West, Lib.): Madam Speaker, I have a petition with a number of signatures from the southern Ontario area.

The petitioners pray that Parliament not amend the Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

* * *

QUESTIONS ON THE ORDER PAPER

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

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

SUPPLY

ALLOTTED DAY—DEPARTMENT OF NATIONAL DEFENCE

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.) moved:

That this House condemn the government for failing to commission a broad and public inquiry with a mandate to investigate the government's failure to hold senior officials at the Department of National Defence accountable for command and control shortcomings, deteriorating morale, and decisions which diminished or have failed to improve Canada's defence posture.

The Acting Speaker (Mrs. Maheu): Since today is the final allotted day for the supply period ending March 31, 1995, the House will go through the usual procedures to consider and dispose of the supply bill. In view of recent practices, do hon. members agree that the bill be distributed now?

Some hon. members: Agreed.

• (1025)

Mr. Frazer: Madam Speaker, Canada has a glorious history of defence matters starting with the Boer war, the first world war, the second world war and Korea. Now I think the tradition continues in our commitment to UN obligations in several parts of the world.

People have very mixed views when it comes to matters of defence. In the defence committee and our travels around the country, we had representations from groups which called for a

very strong or strengthened defence position. We also heard from others who said that there is no threat and no need for the armed forces, so let us do away with the defence department.

The defence department is much like an insurance corporation in that we do not really want to pay the cost of its protection but we recognize that there comes a time when we may need it. It is like a fire department or a police department. It is obvious to anyone who thinks about it that a country that does not have the ability to control its boundaries, its sea approaches, its air and its interior territory cannot really call itself a sovereign country. Therefore, without question, there is a need for defence.

The problem is that in our current fiscal constraints, Canada must get the very best value for each dollar that is spent on defence. That is really the purpose of the motion this morning.

What I would like to do is provide an overview of happenings in the defence realm since the government assumed power in October 1993 and then deal with some of the perceived shortcomings that we see. I will then leave it up to my colleagues to expand on specific areas within that group.

I will start with October 23 when the government was elected. Shortly thereafter, it fulfilled a red book promise and cancelled the purchase of the EH–101 helicopter. In February, it brought down a budget which downsized the regular forces from 74,900 to 66,700, the reserves of 29,400 people remained at 29,400 until 1998, and the civilian component was downsized from 32,500 to 25,200.

The government closed bases at Cornwallis, Chatham, Moncton, Calgary and Langley. It closed the Collège militaire royal at Saint–Jean and Royal Roads Military College in Victoria.

There was an announcement of a peacekeeping school to be formed at Cornwallis. The government commissioned the special joint committee on defence and the special joint committee on foreign affairs. In March, the government renewed the commitments for the Canadian forces to remain in Bosnia and Croatia. It also announced that Canadians would provide assistance to Haiti.

In September 1994 came the release of the Lagueux report. In response to queries requiring an inquiry into the incidents in Somalia, the minister refused, saying that the investigations to date had been adequate.

Again in September, the commitments to Bosnia and Croatia were renewed.

At the end of October the government received the defence review report. In November, Major Armstrong, the surgeon who was in Somalia, brought forward evidence that finally compelled the minister to say: "Yes, there would be a full public and open inquiry into events in and surrounding the Somalia issue".

On December 1 the minister presented the defence white paper. Four days later in that same month the Colonel Oehring report was made public.

Moving into January, the airborne videos, first and second, emerged. In February we saw the airborne video plus naval hazing videos. In that same month the minister announced the disbandment of the airborne regiment.

The 1995–96 budget was introduced in February. It further reduced the forces, regulars to 60,000, the reserves to 23,000, and the civilian component to 20,000 to be achieved by 1999.

• (1030)

The budget closed Chilliwack, Jericho, Calgary, Air Command Winnipeg, Toronto, London, Land Force Command St. Hubert, Moncton, and Maritime Command Halifax. It reduced Canadian Forces Base Cold Lake, National Defence Headquarters and Canadian Forces Base Bagotville. Also, the government announced a forthcoming study on reserves.

In March of this year the airborne regiment was formally disbanded. A couple of days later the Jeffries report was made public.

To return to discuss some of the issues that were forthcoming in the area of defence, the cancellation of the EH–101 was a promise made by the government and it fulfilled that promise. I question whether sufficient in depth study had been given to the prospect of what should have been done. Unquestionably, the search and rescue helicopters and the shipborne helicopters had to be replaced; they were experiencing further and further fatigue. Although I think they are quite safe to fly, they definitely need replacement.

The cost of the EH–101 was misrepresented, initially by the media, but it was then picked up by the Liberal Party in its election campaign. The actual cost of $4.3 billion was transposed into the inflated cost at the end the cycle to $5.8 billion. It was always this $5.8 billion that was quoted as opposed to the appropriate $4.3 billion which was the real figure.

The EH–101, granted, was an expensive helicopter, but it also incorporated components that enabled it to interface with the frigates. The judgment of the defence committee and of anybody in the defence department has been that the frigates are basically severely constrained and in fact, much reduced in their usage unless they have a helicopter aboard.

Whatever helicopter the government eventually decides to buy to replace the EH–101, it will have to be able to interface with a frigate. I will be watching very carefully to see what the final price tag on that acquisition will be.

The additional thing to the EH–101 cancellation is that it basically did away with a whole lot of very high tech jobs. For a government that proposes jobs, jobs, jobs, this was an area where Canada had really forgone the ability to become more deeply involved in the high tech area.

Of the EH–101s to be built worldwide, 10 per cent of each one would have been built in Canada. Of the initial buy for Canada is that more than half would have been built in this country. The benefits of that would spread from coast to coast. It seems to me the government may have been very short–sighted in deciding to do away with that helicopter without adequate study.

In the February 1994–95 budget the government also reduced the size of the forces to 60,000 permanent people. This is 6,700 below the actual minimum the review committee had ascertained was the required number. The review committee basically said that if you go below that number, you must identify some capability you want to give up. The government has not as yet recognized which capability will be forgone.

The decision to place the Lester B. Pearson peacekeeping school at Cornwallis is, I think, a purely political one based on a promise made by the Liberal Party during the election campaign. The location is rather questionable as is the plant on the base. It is going to require a substantial upgrading of facilities. I believe better alternatives were available to the government which could have been pursued at a far better service to the country and also at less cost to the country.

The formation of the special joint committee on defence and the special joint committee on foreign affairs was again a promise made by the government that was fulfilled. I commend the government on that.

• (1035)

However, it is obvious to anyone that the committee on foreign affairs should have been given a mandate which required its report to be tabled at least three months prior to the tabling of the defence report. As it was, they ran concurrently. There was some consolidation of the reports, but it would have been far better for the defence review committee if it had been able to see exactly where the foreign affairs committee said Canada should be going before the decision was made to table the defence report.

The white paper of December 1994 said that the report of the special joint committee played an integral role in shaping Canada's new defence policy. Virtually all its recommendations are reflected in the white paper. I would like to question this by pointing out those recommendations of the report which the government did not institute.

First is that Canada retain enough military personnel to do the job Canadians expect of their military, a force of sufficient size to cope with eventualities that cannot be predicted.

As I said a few moments ago, the cut from the defence committee's recommended absolute minimum of 66,700 was violated to the tune of 6,700 personnel. The question is: Does Canada now have sufficient forces to fulfil the recommendation of the report? I do not think so.

The white paper said that the committee's recommendation concerning the size of the regular forces was judged to be inconsistent with the financial parameters within which the Department of National Defence must operate. Of course, defence was cut to $10.5 billion in 1994 dollars, which was the recommendation of the committee as a minimum. The white paper stated that cuts to the defence budget deeper than those envisioned by the committee would be required to meet the government's deficit reduction targets.

The Reform Party is on record as recommending and insisting on fiscal responsibility. We do not question this. We just think that if the government is going to cut, it should identify where those cuts will take place and what effect they will have on the outcome.

At the same time the government was reducing funding in these areas, the white paper also committed Canada to expand the program of exchanges and extended scope to other countries. It stated:

> To this end, we will increase substantially the budget devoted to the Military Training Assistance Program to build up contact programs with Central and Eastern Europe, the Commonwealth of Independent States, Asia, Latin America, and Africa.
>
> Also the Department government will sponsor peacekeeping training at the Centre for military personnel from countries participating in NATO's Partnership for Peace and developing countries under the Military Training Assistance Program.

I have had personal experience with the military training assistance program. It is a good program. It results in people from other countries being exposed to Canadian standards in military training. However, the results of the military training assistance program come down to assisting the relationship between Canada and the other country. I saw it in Tanzania where as a result of Canada training Tanzanian officers there was a very warm feeling for Canada. That affected the relations between our countries dramatically. Therefore, I would recommend that the military training assistance program, rather than being in the defence budget, be in another place, preferably in foreign affairs.

The defence review report recommended that headquarters strength be reduced by one–third, that is, from 37 to 25 and that personnel be reduced by 50 per cent, that is, 4,000. The white paper stated:

> The command of military operations will continue to be exercised by the Chief of the Defence Staff—normally through a designated operational commander—and one layer of headquarters will be eliminated.

The intent of the defence review was to reduce the proliferation of headquarters across the country. The recommendation was that there be one joint headquarters in the west, one located

centrally, and one in the east. This would have enabled the command and control to have been effective and would have done away with a proliferation of unneeded headquarters staff.

• (1040)

The defence report also recommended that National Defence Headquarters be studied to determine if it should be returned to separate military and civilian headquarters. The white paper says: "The government can see no compelling reason that would justify reversing the civilian–military integration of National Defence Headquarters". Yet in testimony, the defence committee heard much from many people saying that there were crossed lines of command. There was blurred judgment. There were concerns about who was really in charge.

We did not say that NDHQ should be done away with and separated into Canadians forces headquarters and National Defence Headquarters. We said to look at it and study it. The government refused to do this.

The committee recommended that the government create a standing joint committee of the Senate and the House of Commons on defence with appropriate regional representation. The government has been silent on this one. The aim of the game here was to give Parliament some ability to monitor and control what went on in the defence department. The government when in opposition was in favour of this, but apparently when in power it does not seem to see the need for it. I contend this should happen.

We think DND's annual capital plan should be tabled with the new joint committee. If the government in its wisdom should say that a standing joint committee is not required, we think that capital plan should be tabled with the Standing Committee on National Defence and Veterans Affairs.

We asked that the committee be informed when all capital products over $30 million pass defence program management milestones so it can examine cases it considers significant. The government has again been silent on this. Once again, we are looking for Parliament to be able to have a little more knowledge and control over what goes on.

We asked that the Minister of National Defence deliver a comprehensive annual defence review and assessment by the minister. It would set out the minister's view of the global security environment and within it the specific challenges to Canadian policy and interests, issues that the minister believes will require parliamentary attention or a government decision over the coming months. This report would also be referred to the standing joint committee. Once again, there has been silence on this, although it may be the government's intention to do so. I would be delighted to hear that is its intention.

We also asked for an annual debate on defence policy. This is vital if Canadians, the public and parliamentarians, are to be aware of what is going on in defence.

Finally and perhaps most important, we said that full parliamentary debate should be invoked before any deployment of Canadian forces abroad. We now have commitment. I understand they are going to renew our commitment in Bosnia and Croatia. We have not been informed formally yet, but the time is getting fast to the point where it must have been made. We have deployed troops to Haiti and there has been no parliamentary debate on that. I think this is a shortcoming.

Mr. Collenette: We are having it now.

Mr. Frazer: I appreciate the member's intervention. He will note undoubtedly this debate is prompted by the opposition, not by the government where it should have originated.

The Lagueux report, while confined to a relatively narrow area within the defence department, revealed that there are very great discrepancies in the command and control over there. It revealed there was harassment, there was misappropriation or questionable use of funds, that projects were hidden or appeared to be unrelated. Yet the government has not seen any requirement to intervene, to have a look at what is going on in the defence department and ascertain what can be done to correct it.

To conclude, without question we have to commend the government on doing some good things. It inherited many problems. There is no doubt in my mind—and I question the minister when he continually says he trusts his leadership, he trusts everything that is going on—there are obvious errors and problems within the Department of National Defence.

• (1045)

We believe an inquiry must be called to examine and hopefully recommend solutions.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, I thank my hon. colleague from Saanich—Gulf Islands if not commend him for the motion and the debate on defence today. I always welcome a debate on defence, as I think all members of the House do. He raised a number of questions. He gave some credit and I thank him for it. He also raised some areas that are worthy of discussion and debate somewhat later on.

I want to bring forward two matters in the question and comment period. I will try to do it as quickly as possible. I have to remind the hon. member that things have changed since 1990. He alluded to it at the end of his presentation. He recognizes it.

In the less than 18 months since the government has come to power we have had more debates in the House of Commons than took place in the preceding five years and in the four years before that. We have done more in 18 months than the previous government had done in nine years. I do not think that is a big issue because we should be debating defence. Defence is more of an issue today than it has been in the past.

For the first time in recent history the government undertook to have a standing joint committee of the House of Commons and the other place look at, from the bottom up, the requirements of defence and what Canadians wanted their Canadian forces and their young men and women in uniform to do.

I consider that was a successful debate. It was a successful report. The hon. member knows that as he was a very valuable part of it. His expertise and distinguished career in the Canadian forces allowed him to have an input and a credibility that were most valuable to the report.

The fact that the report took place and the discussion took place at a very conscious level in Canada and with our allies is something that cannot be forgotten and cannot be minimized in the House. The fact that less than two months later it resulted in the white paper on defence is also something that should be noted.

On my first point I find it very difficult to understand why the hon. member is complaining that the Minister of National Defence has not come forward with an annual report on defence when we have just actually come out with a white paper. Perhaps next year his criticism will strike home a bit more.

On the second and more substantive point I am almost incredulous that the motion today condemns the government for failing to commission a broad and public inquiry. The Minister of National Defence tabled on Tuesday, two days ago, a report into the Somalia business, the Somalia inquiry. It is the broadest commission ever commissioned in the last 50 years. To my knowledge the last similar commission was the Mainguy commission which I believe goes back to 1949.

The opposition complains that we are not having a broad and public inquiry. It could not be broader and it could not be more public. The three commissioners are outstanding Canadians. Not one of them is a serving member of the Canadian forces. They have 19 points which allows them basically the broadest of the broad. I find it inconsistent, untimely and somewhat confusing that the main motion is what is sparking the debate today. We will be voting on it later, I understand.

Why did the hon. member not address this aspect in his presentation?

Mr. Frazer: Madam Speaker, the question of debates to which the hon. member has referred is interesting. I recognize quite freely that there have been far more debates in the House of Commons on defence than in the previous nine years or ten years or twelve years, for that matter.

The problem with the opposition parties is that the debates are a foregone conclusion. The decisions have already been taken. Yes, we are debating so we are able to say something, but we are not impacting or affecting the decisions that are taken. I believe that is not only frustrating but it is not right.

• (1050)

Again I recognize that the Minister of National Defence responded quite rapidly to the receipt of the special joint committee's report. That of course implies that he had reasonably good information as to what was coming in the report. That was inevitable and it was good. He did respond quickly. As I pointed out, though, there are many recommendations made within the report which he did not see fit to include.

My problem is that I believe very many Canadians do not appreciate or conceive of the commitment that Canadian forces personnel make when they sign on the dotted line. They are the only Canadians who commit themselves to put their life on the line at order. The fireman, yes, he can get himself involved in a problem but he does it voluntarily. A policeman is the same. If he involves himself he does it because it is his job and because he personally chooses it. A serviceman does not have that choice. If his or her superior says "you go there", regardless of the situation that requires he or she to put themselves in they are required to go without question.

Because of this commitment we owe it to our servicemen to provide them with the very best possible leadership and concern. That is my concern here. The inquiry that the hon. member has referred to as broad is really constrained to talking about the airborne deployment before, during and after. It has to do with the command and control that went into that. However it does not branch into the areas that we have talked about: the overall command and control in National Defence Headquarters. Should it be civilian? Should it be separated into civilian and military? Are the young officers and young non–commissioned members being adequately trained?

We have reports from Colonel Oehring and from General Jeffries, both of whom point out that there is a shortfall in confidence in Canadian servicemen. They question whether their officers are really concerned with them or whether they are concerned with their own careers and they are looking up rather than down.

We owe it to our service people to give them the very best leadership, command and control that we can possibly provide.

[*Translation*]

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, it is a pleasure to take part in this debate this morning. I think this is a good opportunity to discuss all aspects of national defence policy.

I notice the hon. member asked why there had been no debate on our future commitment in the former Yugoslavia. Quite frankly, we did intend to have a debate on the future of our commitment in the former Yugoslavia, but it does not really make sense to have a debate initiated by the government, since the opposition gives us a chance to discuss the matter today.

[*English*]

In other words, the hon. member has berated us for not providing opportunity to talk about future Canadian forces engagements in the next few weeks. It has been our intention to have that dialogue with the House, but given the fact that the opposition has culled today with defence as the subject matter, the government will consider today's debate, the opposition motion, as an occasion for all members to express their views not just generally on defence policy on the Somali inquiry but also on the future engagements of the Canadian forces.

I beg to differ with the hon. member. The decision to redeploy for a further six months has not been taken by the government and therefore what is said in the House today will be very useful for the cabinet when it makes up its mind.

I share the concerns of my colleague, the parliamentary secretary, who did such a terrific job for me in the special joint committee and was really one of the reasons that we were able to meet our deadlines and get a white paper out. The whole process was managed very well. Members should recognize the contribution my parliamentary secretary made to the process.

• (1055)

The parliamentary secretary raised a point that the motion today condemning the government "for failing to commission a broad and public inquiry with a mandate to investigate the government's failure to hold senior officials at the Department of National Defence accountable", et cetera, was put on the Order Paper. However, the hon. member did not really address the subject matter.

I was rather amused yesterday evening when I read the opposition motion because I wondered why on earth such a motion would be put down, given the fact that two days ago I announced a full public inquiry under part I of the Inquiries Act to look into all aspects of the Canadian forces deployment in Somalia in 1992.

When we talk about the pre–deployment phase and the post–deployment phase going back to November 28, 1994, that is a period of almost two years when perhaps one of the most important missions every undertaken by the Canadian forces will be examined by an independent inquiry, headed by a Federal Court judge.

The inquiry is not solely restricted to what was actually in the order in council. We made it broad. We included a clause at the beginning which gave the commissioners great latitude. If the hon. member looked at that he would know that all aspects of command and control as they relate to the Somalia deployment will be subject to the inquiry. If one is examining that particular deployment, one can also draw conclusions on the general state of command and control within the Canadian Armed Forces. I am sorry he did not really address the matter in detail.

I am very grateful that he agrees with the government that the inquiry should have been under part I of the Inquiries Act rather than the National Defence Act. As I explained in my press conference the other day, it was our intention to have the inquiry under the NDA originally but we felt that we were somewhat constrained especially with the rules of evidence and the compelling of witnesses. Therefore it will be held under part I. I note that both opposition parties and people in the country generally have advocated that type of inquiry. We are providing the vehicle with three prominent Canadians to lead that discussion. We have put a time limit on it, not for any nefarious reason but simply to get the job done.

We have been somewhat constrained. Judicial proceedings have gone on for the last year and we have been unable to convene the inquiry. Now the inquiry is under way and will look into all aspects of the deployment to Somalia. In doing its work it will also reflect upon the general state of command and control within the armed forces, the leadership, the effectiveness of decision making and so forth.

It has not been an easy 18 months since I took over this portfolio. One thing that has troubled me as Minister of National Defence is how an institution such as the armed forces, which has an enviable and wonderful reputation that Canadians have admired for years and years and which has served us so well, has come under such negative public scrutiny.

The hon. member opposite for Saanich—Gulf Islands is a former member of the Canadian forces, but I invite other members who have not been in the forces to come with me some day to defence and go through a normal day or visit a base such as the one I visited last Friday at Val Cartier, Quebec; I am going to Borden on Friday. They would see an incredible dedication.

These men and women are prepared to serve their country. Contrary to what the hon. member says, when they join the armed forces they sign on for any conceivable duty. They know they may have to go to some of the world's most dangerous zones. They know that the job is not simply pushing pencils. There is humanitarian work and work helping Canadians cope

with natural disasters. At the request of a local community last week we sent the army to a village in Quebec to help with problems resulting from an avalanche.

• (1100)

The armed forces are available at any time. Domestically, it is available at any time to go abroad.

Tragically last weekend a number of young people went missing on Lake Ontario. The Canadian Armed Forces out of Trenton, the search and rescue helicopters and the Hercules planes led the search.

Those people who serve in the armed forces are prepared to do the rewarding domestic work in terms of search and rescue, helping communities that have problems such as the one in Quebec with the avalanche. They are also prepared to go to places like Somalia, Haiti, Bosnia and Croatia, the Golan Heights, Cambodia, everywhere else to serve their country's interests. Canada's interests are ones the United Nations articulates in terms of bringing peace and civility to various parts of the world.

The dedication in the armed forces is second to none. I am amazed given the fact that we have now had about six successive budget cutbacks. I am glad the Minister of Finance left before my speech because he would not welcome some of the things I say. He has a tough job to do and we are solidly behind him.

The armed forces has had to go through about six successive budgetary cutbacks. During the 18 months we have been in office we have cut about $10 billion in projected and actual expenditures from the budget. That is tough to manage.

There was a wage freeze on for all public employees. The armed forces has traditionally lagged. I find that unacceptable and I am trying to find ways with my colleague, the President of the Treasury Board, to see if we can address the compensation problem within national defence and within the armed forces without undermining the program of financial restrain of the government in general. We are working to do that.

We recently put in motion a means by which privates can be accelerated into the corporal rank and therefore by about six months gain some kind of advantage in terms of getting to the next salary rung.

We have a group of people who had to move around as bases closed and have had to serve in difficult parts of the world and had to do their jobs at a time of profound social change.

In the last number of years the charter of rights has been enacted, the Privacy Act and human rights legislation. The armed forces, like all other government departments, is under the microscope on a daily basis.

When we compare the Canadian Armed Forces and the way it is dealing with these challenges of being deployed in some of the world's hot spots, of having to deal with budget cuts, of having to be under public scrutiny with respect to changing social mores, and the expectation the forces must at least try to accommodate changing social mores, we find the Canadian Armed Forces is second to none.

Take for example the very controversial issue of sexual preference within the armed forces. The President of the United States must wonder in amazement how the Canadian armed forces changed its policy and allowed people of various sexual preferences to work openly and with dignity within the Canadian Armed Forces and integrate this within our operations.

In trying to get the United States armed forces to accept the same changes, he found out there was such incredible resistance it really has been one of the things that has helped to undermine his presidency in his early years. How could Canada do it and not the U.S.?

I have had these discussions with my counterpart Bill Perry and some of the others in Europe, Malcolm Rifkind and François Léotard and Volker Ruer. They are amazed at the adaptability of the Canadian Armed Forces, the flexibility, the willingness to accommodate ideas and changes in very difficult circumstances.

• (1105)

One of the frustrations I have had is we have had some people who have left the Ministry of National Defence and have not been happy. They have taken certain information away with them and they have grievances. Some would say they are seeking retribution. Against whom, I do not know.

They were not employed there since this government has been in office. Maybe they want retribution against senior officials or the chief of defence staff. I do not know.

This information is being leaked to the opposition and to the media. It is publicized and it gives the impression the armed forces is in a state of chaos. The armed forces is not in a state of chaos.

I will do anything possible to walk my colleagues through the lives of men and women in the armed forces on a daily basis. We will take members of Parliament to bases. We will have brief-

ings. We will let them find out once and for all that the armed forces is in pretty good shape. There are some morale problems and they have surfaced in certain memoranda. They have to do with financial restraint, with budget cutbacks, with the changing role of defence in the post cold war era and adapting to changing social mores.

There will always be personality differences in any organization. Do all the generals like each other? I hope so. I am sure there are rivalries. Does everybody in the House of Commons like each other? I am sure we all do, although from time to time we may have some rivalry.

We are looking at the largest quasi–corporate organization in the country, an organization that at a moment's notice can deploy troops anywhere in the world. It can discharge its obligations with such quality that our allies, even our opponents such as the three factions in the former Yugoslavia, say Canadians are the best.

Ask the Serbs, ask the Croats and ask the Muslims who are the best. They will say the Canadians. They do not want us to leave because they know we are fair, we are impartial and we are tough. We are professionals.

We are that way because it is a reflection of Canadian society and it is also a reflection of the cumulative leadership in the organization over decades. It goes back to the Boer war, to the first world war, to the second world war. The military tradition in this country is rich. It is alive. It is going to continue to stay rich and alive even in a changing world.

It is my job to answer the hon. member's criticisms and to assure Canadians the tax dollars being spent on defence are done so effectively and that operations are conducted properly. I will do that every day of the week. However, I get frustrated because many of the points raised are not thought through properly. They come from disgruntled people. They come from people with a lack of information, people who do not have full knowledge of the institution or know the full scope of the department's activities. These events are magnified on a daily basis.

The chain of command as it pertains to the deployment in Somalia will be looked at by the inquiry. In principle I want to assure my colleagues in the House and all Canadians that we have outstanding leadership in the Canadian Armed Forces. We have men and women who have gone through rigorous training, who are well educated, who have served in many different theatres of conflict. These people are true professionals.

As the Prime Minister and I have said, we have full confidence in the chief of defence staff, John de Chastelain. We have full confidence in the other members of the high command of the Canadian Armed Forces. We have full confidence in the institution. That does not mean to say the institution should not and cannot be changed. Sometimes there is resistance.

• (1110)

After all, I am a Liberal. We look at the political perspective through certain lenses. The opposition has different views. That is what democracy is all about. It may very well be that the course of action the government wishes to follow will not be accepted by everyone within the department or within the forces. They are loyal Canadians and they recognize that the government is elected to direct the affairs of the state and they obviously will follow and implement the policy decisions of the government.

When we disbanded the airborne, General Reay, the head of land forces, and General de Chastelain, chief of defence staff, said to me: "You have our recommendations. You might not wish to follow our recommendations". We did not. We disbanded the airborne They said: "Whatever you decide, we as loyal members of the armed forces will implement that decision faithfully and honestly". To their credit they have done that.

General Jeffries, the brigade commander at Petawawa, and Lt. Col. Kenward, the former commanding officer of the airborne regiment, did an outstanding job in difficult circumstances when we made a decision for which I will not apologize and which I will defend from now on. They did an admirable job in explaining this decision to their colleagues. As the chief of defence staff said, the airborne had achieved much over 25 years and had to be disbanded with dignity. It was disbanded with dignity.

We do not have a problem in the Canadian Armed Forces. Like all organizations, difficulties arise from time to time. I urge members when they stand in their place to give criticism, which is their due, they should also try to stand back and look at the reputation, the integrity, the experience Canada has had with the best armed forces in the world today. Let Canadians know they are behind the men and women who serve them so well.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Madam Speaker, I thank the minister for his very illuminating remarks.

Everything he said good about the performance of the Canadian Armed Forces I would back in spades. They are tremendous bunch of people. They put up with an awful lot of discomfort, danger and they perform superbly in very instance.

The minister talked about this being a debate on Bosnia. Obviously it is not a debate on Bosnia, because that is not the subject that we are dealing with. We may hit it peripherally, but there is no opportunity here. I would also point out to the minister that this is March 23. Unless I remember incorrectly, the mandate for our commitment in Bosnia runs out on March 31, eight days from now. Is this the time for us to debate or should it have been done in December or perhaps January, so that we could have had some impact on whether or not we are going to renew our commitment in Bosnia? I think this is too late.

Also, if this debate were to be on Bosnia, it should have been instigated by the other side.

The airborne inquiry I think has been well laid out. The minister has elected to stop the inquiry proceedings as of November 28. In keeping with his remarks about standing by his decision to disband the airborne, I suggest that he should have extended the mandate of that inquiry to March 6, when the airborne was disbanded and thereby allow the inquiry to determine whether or not he was justified in so doing.

Also I question whether the airborne inquiry is related to the forces as a whole. It will of necessity confine itself to incidents around the airborne itself. I question whether that is in fact relatable to the whole armed forces.

The minister talked about the prevailing negative scrutiny on the armed forces. I very much regret that.

• (1115)

As he said, I have spent many years in the forces. I think they do good work. It is unfortunate that they come under adverse publicity.

However, in the case of Shidane Arone who was tortured and murdered in Somalia, this individual was under that torture and hollering his lungs out for the better part of six hours. I would say he would have been shouting for two of those hours. Where was the commanding officer when that was taking place? Where was the company commander, the platoon commander? Where were the senior NCOs who were allowing this to happen? They could not have avoided knowing that something was going on but they did not intervene.

It will obviously come out in the inquiry that the leadership was not there. Why was it not there? It is because it had not been instilled somewhere else. That is the concern I have when the minister says that everything is great in the armed forces. I do not believe it is great. There are a lot of problems.

The minister mentioned the matter of compensation for the forces and I laud him on that. When we have sailors on welfare there is something wrong in the armed forces.

The minister, basically though, talked about the personnel in the forces and I support him 100 per cent on that. The problem is he did not address the command and control problem which is the one at which this motion is aimed.

The reports from Colonel Oehring and Brigadier–General Jeffries point out very plainly that there is a command and control problem and a morale problem but the minister has not dealt with that. He said that anything is possible. If anything is possible how about commissioning an inquiry to have a look at the overall thing outside the Somalian inquiry. If it is good, congratulations, but if it is not good then let us do something about it because our people are in jeopardy.

An hon. member: How many inquiries do you want?

Mr. Frazer (Saanich—Gulf Islands): In response to the member's question, I would like to see two inquiries at the moment, one on Somalia and one on the command and control in the armed forces.

The Acting Speaker (Mrs. Maheu): I would request that the hon. member address his questions to the previous speaker. Comments on the floor are not heard by the public.

Mr. Collenette: Madam Speaker, I would like to comment on one point. The hon. member for Saanich—Gulf Islands berates me for saying that this is not a place to debate our re–engagement in Bosnia and Croatia.

I want to emphasize that although we are prepared and all is in motion to send people to those two countries, the final decision by cabinet has not been taken. He said it was not the place to debate that. However, he spent most of his speech not addressing his own motion. He talked about everything but defence policy. What is good for the goose is good for the gander. If he can talk about anything to do with defence policy then any other member can and that includes whether or not we should re–engage in Bosnia and Croatia.

Another point is that the hon. member did not look at the text of the remarks I made the other day on establishing the inquiry. November 28, 1994 was the date chosen because that was the last date a member of the chain of command caused anything to happen with respect to the Somalia deployment. That was putting in train the court martial process for Captain Sox which was completed this week. It is why November 28, 1994 was chosen, because it dealt with the last action of a member of the chain of command.

The inquiry will answer a lot of the concerns that Canadians have had with respect to the operations of the armed forces. Hon. members would be wise to let the commissioners do their jobs. They have the right to subpoena witnesses and to hear all kinds of evidence. At national defence we will make everything available to them: military police reports and all other kinds of investigations. Members of the forces and civil servants may be called on to testify. We will co–operate in every way.

For the good of the forces and the good of the country, why can we not let the inquiry do its job? We will not have much longer to wait. I ask the hon. member, please, to consider that.

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Madam Speaker, I want to ask the minister a couple of questions. The motion today deals with the public inquiry.

• (1120)

That public inquiry will be centred on something that went wrong. As a result, the entire Canadian forces will be aimed at that during the course of the inquiry and that is sad for the forces as a whole.

I ask the minister today if he could explain to the House in very brief, general terms at least some of the positive things that went on in Somalia. I have a whole sheaf here listing things that the Canadian forces and the Canadian Airborne Regiment did during their posting in Somalia.

When the incident that received so much publicity happened in Somalia, in my opinion whether rightly or wrongly our own defence headquarters at the time handled it very poorly. The minister was not around. He was off enjoying a much more leisurely type of life in those days. However, he is here to see the end of this difficult era for the Canadian forces.

I am glad he mentioned General Jeffries and Colonel Peter Kenward. They are tremendous people. The forces have done a great job of coming back and correcting things that were wrong. However, in all this there has to be something positive.

I wonder if the minister would explain the role of the forces in Somalia; in schools, on roads, on helping them to build up their own police and their own security within their community. As he knows, his department has received many letters complimenting them on that very thing—

The Acting Speaker (Mrs. Maheu): I am sorry. I want to give the minister time to respond.

Mr. Collenette: Madam Speaker, I am glad the hon. member raised it. He has Petawawa in his constituency and he is a very knowledgeable individual.

I am sorry that time did not permit me to talk about the good that was achieved in our deployment to Somalia. I will leave it to him and to other members to talk about it. He is absolutely right. While there were incidents that occurred that have brought some cloud over the Canadian Armed Forces, let us not forget that our participation there was very beneficial to the United Nations' mission. There were a lot of accomplishments. Those accomplishments will be recognized by those people who served. We are in the process of preparing a medal for the people who participated in Somalia.

Let us not judge the whole of the mission by the troubling incidents that occurred. They will be investigated.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Madam Speaker, from the outset, I want to say that I will keep to the motion tabled by the hon. member for Saanich—Gulf Islands. I intend to support this motion so long as it meets the demands of the Bloc Quebecois. In this regard, I indicated my approval at the Minister of Defence's announcement of the establishment of the commission of inquiry and I congratulate him for setting it up. I also congratulate him on his choice of commissioners.

However, as I indicated to the press, I find the mandate of the commission relatively limited and I will explain why. We would clearly tend to support a request by the hon. member for Saanich—Gulf Islands to broaden the commission of inquiry's mandate. However, before I go on to explain, I would mention that I was listening earlier to the Minister of Defence praising and very clearly applauding the fine actions of the Canadian military over the years. He expressed surprise that members of this House tended to frequently criticize the army and find fault with it without perhaps knowing much about it.

• (1125)

I would like to respond to the Minister of Defence by saying that, unfortunately, at times, the better one knows a subject, the more one tends to criticize. The reason is that, like everyone who has spoken on this matter, I believe the armed forces have performed courageous feats of arms and have a reputation for pride and courage earned on a number of occasions.

However, some people try to hide behind the fine reputation of the armed forces. In my opinion, they must be weeded out, like bad apples.

For a number of months, I believed that the Minister of Defence really intended carrying out what we might call a purge at the Department of National Defence. But when I heard him talk this morning, I was a little less sure and was disappointed to see that he does not intend to take the issue any further than he has.

To prove my point, I traced back the development of the Airborne Regiment in Petawawa since it was founded in 1968. From the very beginning, it has welcomed infantry soldiers from three other regiments. Now I will get into how military tradition and reputation shaped the regiment.

Normally, it is the officers and commanding officers who mold a regiment to their image for a specific mission. One of the Airborne Regiment's first commanders was General Vernon, who served in the years 1975, 1977 and 1978.

In the early 1980s, many problems were reported around the base at Petawawa. I regret, by the way, that the hon. member who represents the base did not give us any examples. In fact, police reports show that many brawls and fights were caused by members of the Airborne while they were under the influence of drugs or alcohol.

I will continue reciting the regiment's evolution. The pranks and escapades which have occurred there from day one were

never any secret. By the way, on a few occasions, they were even brought to the minister's attention here in the House.

The Petawawa base is not only home to the Airborne Regiment, but also to other members of the military and other soldiers who are not necessarily part of the Airborne's second commando. On this base, people have been seen marching around carrying white supremacist flags or wearing Ku Klux Klan armbands and there have even been disgraceful scenes, skirmishes and fist fights, in the officers' mess, to the full knowledge of the commanding officers of this base. I found no evidence whatsoever that anyone of rank was ever reprimanded.

For the sake of troop morale, it would be a little difficult for officers to lay blame on one soldier in particular when they themselves were not always innocent. As I said earlier, and I stress, a regiment generally is the reflection of the officers who command the soldiers and who train them for certain operations or missions.

In light of the mission it was to undertake, the Airborne Regiment is an elite, overtrained regiment with superior physical and mental endurance.

When we learn of incidents like those that occurred in Somalia—it is important to underline that some events occurred before the Airborne was deployed—, what I find disturbing about the board of inquiry set up by the minister is that these events will probably be overlooked, as I understood from the board of inquiry's terms of reference.

• (1130)

The board's mandate is limited to the deployment of the regiment in Somalia, before departure, during the mission and afterwards. But the regiment did not spring up overnight. It evolved over the years.

I wish to remind you that one of the individuals accused of misconduct in Somalia, Captain Rainville, had previously been responsible for an incident at the Citadelle in Quebec City, which had been reported by that city's municipal police. He held a command post in Somalia, and after he returned, there was a military police investigation, weapons were found at his home, and he was fined. When he appeared before a court–martial, the Citadelle incidents, which demonstrate this individual's violent and aggressive behaviour, were never brought up.

I think that these things should not be forgotten. When the regiment was deployed in Somalia, it was under the command of Colonel Morneault. Again, some documents show that Colonel Morneault recommended that the Airborne not be sent to Somalia because it was not yet ready. According to Colonel Morneault, the regiment's training and its moral or psychological strength were such that it was not yet fit to participate in such a mission.

What did they do for Colonel Morneault? They dismissed him. They went ahead and sent the regiment to Somalia. One of the first incidents in Somalia occurred in early January 1993. In January 1993, the military hierarchy was notified of leadership problems and of cases of misconduct within 2 Commando in Somalia. In particular, Major Seward, who was first fined for accidentally discharging his weapon and later served a written reprimand for promoting too aggressive action against the Somali.

Curiously enough, when HQ officials tour Somalia with former deputy minister Fowler a month or two later, in February or March of 1993, no problem was found, in terms of leadership or misconduct. On March 4, five or six days after HQ officials left, the famous video of a Somali man being killed and another one tortured was shot.

I have great trouble understanding that seasoned individuals in a position of authority, such as generals and deputy ministers, never realized there was something wrong with these regiments. It might be very difficult to admit that the very people who command and give our troops a sense of what is expected of them were unable to detect the problem, although it had been pointed out to them prior to their visit. The incidents occurred one week after their visit.

My point is that all that the Airborne's history says is that every commanding officer of the regiment was a good officer. The minister mentioned earlier that Lieutenant–Colonel Kenward, recipient of the Order of Merit, was among those who commanded the platoon, at the very time of the unfortunate incidents.

I find it strange that the commission of inquiry is limited to specific events and not allowed to investigate the actions of the officers who shaped this regiment and were followed.

It is also unfortunate that ultimately the only ones penalized by the dismantling of the Airborne are the soldiers sent back to other regiments, while the commanding officers have been reassigned to headquarters here, in Ottawa, with more or less unspecified duties.

• (1135)

This is why I support the motion tabled by the hon. member for Saanich—Gulf Islands. The minister should act, considering the many instances of spending—which could almost be qualified as ridiculous—within the Department of National Defence. Let me just give you the example of General Mike Vernon, the force commander in Ontario, who spent something like $562,000 on furniture for his office. Again, his superior officer covered up the whole thing.

We find out such things when members of the armed forces write to the official opposition critic for national defence issues, such as this corporal who wrote: "Be careful not to confuse the effect and the cause. All these stories of suicide in the armed forces, crimes in Somalia and hazing in the Airborne Regiment are only the symptoms of a greater problem. The reality is that the Canadian Forces, and particularly the combat units, are demoralized". There have been references to the poor leadership displayed by some commanders, etc., 2 Commando in Somalia, and 1 Commando.

When, within an army which a majority of people respect as a whole, non–commissioned officers point out very obvious problems, it is because a real malaise exists. There has been a lot of talk about the morale of the troops. I am trying to put myself in the shoes of a private. Several of them told me that it is difficult for them to accept the fact that an officer lives in a house valued at $650,000, and that the minister tells me that it is because this officer must act as a host for foreign visitors or generals. But generals here in Ottawa live in smaller houses than the one Lieutenant General Scott Clements lives in, in Winnipeg. The discrepancy between the treatment of combat troops and that of senior officers is probably one of the major causes of low morale in the armed forces.

When we consider, as the hon. member for Saanich—Gulf Islands pointed out, that some seamen tried to go on welfare because they had trouble making ends meet, and when we hear some officers say that you do not join the army to get rich, and we then look at the behaviour of senior officers and the way they sometimes waste money, it is easy to understand why the morale of the military is very difficult to maintain and why these people have lost all motivation. If the department will not or cannot clean up its act and get rid of some of its people, I do not think the situation can improve.

To continue my speech, it is very often said, and the hon. member for Saanich—Gulf Islands and the minister mentioned this as well, that the Department of National Defence has suffered many successive budget cuts. This is followed by some obvious questions: How are they going to play their role? How are they going to get equipment? How will they be able to carry out their mission?

Initially, I found these arguments persuasive, but when we examined the National Defence budget, the Auditor General pointed out several items—infrastructure management, for instance—where the Department of National Defence could easily have saved between 100 and 125 million dollars through better management. If we look at communications, between 325 and 400 million dollars could have been saved on total procurement over a period of three years. Almost every time the Department of National Defence orders or draws up an estimate for the purchase of materiel or equipment or labour, there is always a cost overrun.

• (1140)

Two days ago, we were talking about the CSE in the House, and I gave examples of estimates where the cost overrun had been as much as 120 per cent on equipment purchased by the Department of National Defence. I think the department should start by cleaning up its management procedures and eliminating certain individuals who are no longer performing as they should.

I may add that in the Canadian Forces, there are senior officers and non–commissioned officers who would gladly see the end of the situation that exists within the forces and get rid of certain individuals they have identified, but not publicly, because it would hurt their careers. I think it is very sad that some people will not take this responsibility because it might have an impact on their careers. I would say that the Canadian Forces suffer from two evils that are eroding them from within. First, the military bureaucracy. Nearly one half of the forces are in their offices from 9 to 5 and must be paid a premium when they are on a mission. Are they still soldiers?

Second,—and this is not flattering for politicians—the politicization of the Defence Staff. Because it would hurt their careers, they make no major decisions and will not criticize one of their colleagues or subordinates because that might hurt the individual or his or her career. When we have reached that stage, I think the rot is widespread, but there are still some very good people in the armed forces.

A recent poll conducted nation–wide revealed that 48 per cent of Canadians are starting to have doubts about the quality and value of our armed forces, since the latest revelations concerning national defence. I think it is up to the government to improve the self–esteem of the Canadian Forces by extending the mandate of the commission of inquiry to cover all individuals who in some way have tarnished the reputation of the Canadian military.

[*English*]

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, I want to thank the hon. member for his contribution to this important debate. I have a question which really is for clarification.

A few moments before his conclusion the hon. member talked about the civilianization and bureaucratization of the Canadian forces. It is on this issue that I want clarification. I think the hon. member used the expression of people working from nine to five and asked whether they were really members of the Canadian forces or whether they were really in the army. I am not sure what he meant by that.

I am not sure this is what he meant, but if his suggestion is that there are soldiers, sailors and airmen who punch clocks from nine to five, I want to tell him that is not the case. I think he knows it is not the case. He and I shared a tent in Bosnia. It is very much a 24–hour a day operation, weekends and evenings. I know very few members of the Canadian forces, those in uniform and indeed many civilians in the civil service of the Department of National Defence, who operate on a nine to five

basis. It is very much a 24–hour a day operation, particularly for those in uniform.

Therefore, I really am quite insistent on seeking clarification for that aspect of his presentation. Otherwise I think it was generally positive.

[*Translation*]

Mr. Jacob: Madam Speaker, I said civilianization and not civilization. I will explain what I meant. When I talk of civilianization, I mean that there are civilians working at National Defence, but there are also members of the military who work from 9 to 5. I have nothing against that.

• (1145)

I would like to remind the parliamentary secretary that Canada's peace missions, generally brilliantly conducted, use less than 10 per cent of the total potential of our armed forces. We did indeed go to the former Yugoslavia with the parliamentary secretary and we saw soldiers working 24 hours a day. They did an excellent job, and I congratulate them on it.

However, we must remember that, within the Canadian Armed Forces, there are barely 9,000 privates and more than 32,000 corporals and sergeants. I will spare you the number of colonels, lieutenant colonels and generals. Only privates, corporals and sergeants go out in the field. These people, I grant you, do excellent work, and I admire them. I have been able to see this for myself, on site.

What I would like to say, however, is that, when people do civilian work from 9 to 5, whether they push pencils or complete forms,—I might make an aside here to point out that the Auditor General said the army should remodel its administration due to the many forms required for a decision to be made—this is what I meant when I said that, when pencil pushers or 9 to 5 civil servants are sent on a mission, on the seas, in the air or elsewhere, they should be paid a bonus, because they have lost, if you will, all their training, since they have become clerks and not soldiers.

[*English*]

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Madam Speaker, I listened very carefully and with great interest to the remarks of the hon. member for Charlesbourg.

I think I heard correctly but I ask for confirmation that he was speaking about overcommitment in the armed forces and about bureaucracy. I wanted to ask him if in the bureaucracy he was speaking of he included the head man in the shop, the minister.

Does the member for Charlesbourg see the minister being responsible for some of the bureaucracy and some of the problems that are created for the armed forces? In other words, does the overcommitment result from decisions taken from the top?

[*Translation*]

Mr. Jacob: Madam Speaker, I will answer the hon. member for Saanich—Gulf Islands, perhaps with a grin. I do not claim that the minister can be lumped in with the bureaucracy of the Canadian Armed Forces, except on a level of responsibility, because everyone and anyone knows that ministers are responsible for the decisions made in their departments. Regarding this issue, I would like to refer you to the Auditor General's 1992 report, which pointed out several administrative problems and bureaucratic shortcomings in his critique of the national defence administration.

The Auditor General repeated the exercise in November 1994, pointing out several shortcomings in the Canadian army. In this sense, I think that the minister should be held responsible for not having trimmed the bureaucracy enough and fixed the administrative problems at National Defence, and for having missed out on potential savings in his last budget. Instead, he went full tilt in the direction of closing or reducing bases, but nowhere is there any evidence that he really intends to address the problems within the administration, which employs approximately 70,000 military staff with 30,000 civilian support staff to back them up at the Department of National Defence.

When I see a member of the armed forces getting paid more to do the same job as a civilian, I wonder about the administration, or, rather, its efficiency. That is why I was saying that there are many problems with the administration of the Canadian Armed Forces and they are brought up very rarely. Very often, we hear members of the government say that all is well in the army, that there is no problem and they never criticize the army.

• (1150)

In closing, I would just like to quote an English newspaper article on the armed forces, which was run about four or five months ago. The journalist said that "armed forces know no master".

[*English*]

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, I thank both members who contributed to the debate.

I mention one point by way of a comment to which the minister's presentation alluded. We are talking about bureaucratisation. I remind the House that in the last 10 years the Canadian forces have been subjected to a number of very dramatic changes that have been fundamental to their organization. I believe the hon. member for Saanich—Gulf Islands will agree because he and I both went through it.

First there was the Charter of Human Rights and Freedoms. There was the Privacy Act and there was the Canadian Human Rights Act. They are all great acts, but they are legislation which required a fundamental change in the way the Canadian forces did things. That caused a tremendous amount of bureaucratisation and reporting by military and civilian people up the chain of command about how changes were to be made to the Canadian forces and how they responded to these items. I underscore the sometimes traumatic experience this caused people whose main job was to be prepared to fight for Canada.

I say this by way of comment. Perhaps I will include more of it in a general sense in my presentation later this morning.

[*Translation*]

Mr. Jacob: Just a short comment, Madam Speaker. There has indeed been much restructuring within the Canadian Forces. I wish to point out to the parliamentary secretary that in December 1994, the Auditor General and a few generals appeared before the supply and services committee—on which I sat—to talk about the awarding of certain contracts. I asked then Auditor General Peter Kasurak, who deals with national defence data, if it was conceivable that better management could save close to $1 billion. I asked him to give me a yes or no answer. He said yes.

Therefore, I think that there are still improvements to be made and that is what the departments should try to do.

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.): Madam Speaker, it is a real honour for me to rise to speak to the motion today. I state at the outset that my comments will reflect a contribution to the debate in a reasoned manner. We all come from different ideologies and perspectives on the issues and I believe my remarks reflect that.

As I speak today I will be considering what I see as a lack of strategic planning from the government regarding its management and administration of the Canadian forces. The government perhaps has let partisan politics interfere with the operations of our military.

Our national defence force is the guardian of our freedoms and a reflection of our values. It is being neglected by a government that does not appear to understand the meaning of an overall strategic plan for military operations in Canada and abroad.

Many examples come to mind. The disbandment of the Canadian airborne regiment for political expediency, base closures, relocations and open–ended peacekeeping missions are stark evidence of what it means to have no plan. I will be referring to these examples to demonstrate my point that the government has an obligation to the armed forces which includes accountability for planning and expenditure of tax dollars.

The decision to disband the airborne regiment seems to have been an overreaction on the part of government for politically expedient reasons. There is no question that the videos were disturbing. Many Canadians felt as I did, but I question whether the actions of a few individual soldiers merit the elimination of an entire regiment.

The airborne had a long and distinguished history. Airborne soldiers served gallantly in many of the world's most troubled areas in military and peacekeeping capacities. This fact should not be overlooked. Judging the airborne on its long and valued service, disbandment because of the actions of a few hardly seems rational. To add insult to injury, I have learned that the soldiers serving in the airborne regiment in Somalia, who for the most part performed brilliantly, have not yet received their medals.

• (1155)

A quick reaction force which the airborne represents is still needed in Canada. At this point the Minister of National Defence acknowledges but has yet to propose a replacement for the airborne. His lack of action leaves Canada without an important and necessary element to our national defence. This is an unacceptable situation for Canada.

One wonders what the long awaited public inquiry will uncover. By disbanding the airborne perhaps the government hoped to avoid answering some of the more troubling questions that have been raised with regard to high level cover–ups resulting from Canadian conduct in Somalia.

How readily will lower ranked soldiers come forward and tell what they know? What effect could such actions have on their future careers? Could they be subject to later intimidation by higher ranking officers?

The decision to close down and relocate CFB Calgary to Edmonton is another example of where our military needs have not received the highest priority. Is Calgary being punished because it elected only reform MPs in 1993? There have been allusions to this very point.

Calgary *Herald* columnist Don Braid wrote on Tuesday, February 28: "Documents obtained through access to information show that there are no sound economic or military reasons for this move". He went on to express the opinion of many others that closing CFB Edmonton may be less costly than the closure of the Calgary base.

Cost benefit analysis would be useful to determine the wisdom of the decision. However without any analysis available I for one remain skeptical of the motive. Past experience has demonstrated that predicted relocation costs have proven to be wrong.

In last year's budget the Harvey barracks which housed the Lord Strathcona's Horse, the Royal Canadian, was slated to move to Edmonton. At the time of last year's budget the defence minister estimated that the cost of the move would be roughly $23 million. He has since admitted that the cost will be nearer $70 million with some speculating that the final amount could reach $150 million.

These high costs for the relocation of one part of the base lead me to wonder how much the final tally will be to relocate the entire base to Edmonton. The lingering impression is that of political expediency.

I do not want to leave the impression that the Reform Party is against the reorganization of our military forces. However the reorganization must be done for the right reasons, namely cost efficiency within our forces while maintaining effective military capability. Strategic necessity dictates that government cease using the Canadian forces as the political football.

Calgarians will accept the base closing if it can be proven that the $300 million cost of consolidating the bases in Edmonton will save money in the long run. However if no true economic savings results in the consolidation, Calgarians, those from my riding of Calgary Southeast and all other Albertans will remember. The national energy program disaster has not been forgotten in the west.

Any base relocation should be undertaken on the basis of planning and efficiencies. Detailed cost analysis studies should be completed to determine what bases should be kept open and which should be closed.

Another point is directed to our peacekeeping commitments around the globe. In my maiden speech in the House I spoke of the tragic conflict in Bosnia and the involvement of our Canadian soldiers in a war without end. My fear at the time was that the Canadian presence in Bosnia was not lessening the fighting but sustaining it. The aid we were providing was often stolen by the warring factions thus feeding the fighting that Canadians were trying to end. A bottomless IV bag sustaining a killing machine was my expression of the problem at the time. I still hold the same opinion today.

Canadian soldiers remain in a war zone with no peace to keep nor make. We have committed a Canadian presence in the region for an indefinite period of time and for an indefinite expenditure. Our cash strapped government has yet to implement a long range plan for such open–ended commitments.

Canada needs a clear set of guidelines for foreign intervention. We must continue our longstanding tradition of keeping peace in the world's troubled spots but after a conflict has been resolved. Canada's contributions to sustaining peace in the world's conflicts have been second to none. However, in a time of budgetary restraint, open ended missions costing staggering sums of money should be carefully reviewed.

• (1200)

Since the end of World War II Canada has spent tens of billions of dollars on peacekeeping. Logically questions arise for all of us to consider. What is our role in the volatile area? What is the potential length of the mission? What will such undertakings cost?

I do not want to leave the impression that I do not salute or acknowledge the valuable endeavours of our military the world over. However, we cannot conceivably embark on missions which last for decades at a time. Canadians were in Cyprus for 30 years. Our soldiers had been keeping peace between India and Pakistan for 45 years. Recently more Canadians have been sent to Haiti.

Members might argue all of these tours of duty are necessary. If that is so, how do they suggest we finance these commitments when we have no military plan?

We have a responsibility to all Canadians to spend their money wisely. Therefore, the missions Canada undertakes must be planned according to cost, in those places where Canadians can securely and effectively keep the peace within a timeframe for withdrawal.

I impress on all members that in a still dangerous world where governments have less and less money Canada's armed forces must adapt to fulfil its basic responsibilities in Canada and abroad. For this to happen government must manage the forces in a strictly professional manner, free of political manipulation.

The government must develop new operational techniques to ensure the military uses its financial resources in the most efficient way possible. This fits into the larger context of strategic planning which should be incorporated into all aspects of military activity so that our honourable military tradition continues untarnished.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Madam Speaker, the hon. member for Calgary Southeast made allusion to the disbanding of the airborne regiment which I would like to comment on. The member connected the disbanding with the hazing videos and suggested the videos were the reason the regiment was dismantled.

I cannot speak for the Minister of National Defence or his parliamentary secretary on this issue but it was not the hazing videos that led to the disbanding of airborne regiment. It was the killings in Somalia.

When we look at this issue we have to remember, just as the member for Calgary Southeast said, that Canada's military has a role in sustaining peace worldwide. The image of our peacekeepers abroad is vital. What happened in Somalia led to a situation in which the airborne regiment will be forever haunted by that incident and would never get away from it and that incidents such as the hazing videos would turn up time and time again and bring back the memory of what happened in Somalia.

I do not think the government had much choice with respect to the airborne, tragic as it was. What happened in Somalia involving the airborne is like losing a major land battle as far as our national image is concerned. I do not think we had much choice on that.

Mrs. Brown (Calgary Southeast): Madam Speaker, I thank the hon. member for his comments. Are the videos a mere coincidence?

I have a constituent who was part of the airborne regiment. He has called me a number of times. He is heart sick over the events of the disbanding of the airborne regiment. He said to me: "You cannot imagine how it feels to know that with a tradition that has lasted for decades, I am one of the members of the airborne regiment which in a sense has been dishonoured in the Canadian context of the military tradition. I have to live with that always". It is a very unfortunate and tragic result.

• (1205)

In the year between these events and now much happened within the airborne regiment to clean it up. It is unfortunate that was not acknowledge or recognized as the decision was undertaken.

I raise the issue on behalf of the constituent who was part of the airborne regiment and because of the military tradition for which Calgary is noted. I hope the Minister of National Defence, as he prepares another reaction force and a ready force to protect Canadian soil, will acknowledge the tremendous contributions and traditions of the airborne regiment. It is an absolute sacrilege that it was disbanded.

Mr. George Proud (Hillsborough, Lib.): Madam Speaker, some of the member's statements are right about the great history the regiment has had and there is no doubt about it.

During the consultations we had last year from April through to the end of October on the defence review I suggested, as had other members as we talked about Canada's shrinking budgets or shrinking military, that it was possible to do other things. We do not have a huge sealift or airlift capability. We suggested that maybe we could use the airborne regiment to go into certain areas. They tell us they do not like to use that in peacekeeping operations.

I asked them why we needed an airborne regiment at this time. If we ever need one there are a lot of people out there who are very capable and who would come back in and form a regiment.

If that is the case, why do we need one?

Mrs. Brown (Calgary Southeast): Madam Speaker, I would like to clarify something once again for the member. I do thank him for his question.

The focus of my presentation today was on strategic military planning for the Canadian Armed Forces. That included examples of the airborne, the open ended peacekeeping missions and the closure of Calgary CFB. Those examples were drawn specifically to demonstrate the lack of and the need for long term strategic planning within the military.

Mr. Stephen Harper (Calgary West, Ref.): Madam Speaker, I am rising today to speak on the motion concerning the Department of National Defence and the problems of accountability in it. I want to especially thank the member for Saanich—Gulf Islands for having raised this motion today.

I have raised a number of issues regarding things that have transpired in the Department of National Defence; whether they were the problems that came out of the airborne's service in Somalia or events in Bosnia and Croatia, CFB Calgary, problems of command and control, general morale problems. I have raised all of these issues.

To government members who have touched upon this, these questions have not come from opposition research. These questions did not come from the media. In most cases these stories and these concerns came to us from active military people of all ranks who are very concerned about what is occurring in the Department of National Defence.

I want to spend my time mainly on the issue of the infrastructure rationalization and Calgary's role in that. In doing so I do not intend to dispute in any way the need for defence cuts and the need for government spending cuts in general. All parties in the House have recognized that, although the Bloc Quebecois is very open to defence cuts as long as not a penny of it is in Quebec. I do not share that view. I do not share a not in my backyard approach to government spending reductions.

• (1210)

I am concerned in terms of infrastructure about the decision making process behind these cuts and specifically that application in the Calgary case. The base in my constituency, CFB Calgary, is going to be closed along with the base in Chilliwack. The member for Fraser Valley East is going to address that later. The plan is apparently to save infrastructure costs by centralizing and consolidating the forces in Edmonton.

The history of defence consolidation and centralization over the past generation has not been efficiency or cost saving. It has created probably the most top heavy armed forces in the western world.

In looking at the announcement of the closure of CFB Calgary, in the 1994 budget it was announced that eventually the Harvey barracks, one of the two major portions of the base, would be closed. The Lord Strathcona's Horse and most of the 1 Service Battalion were to be moved to CFB Edmonton in

1996–97. The regional medical depot there was to be relocated within the city of Calgary.

Originally, as the member for Calgary Southeast mentioned, the cost for this move was estimated by DND at $23 million. Six months later the official cost estimates had escalated to $44 million and sometime after that they escalated to nearly $70 million.

As little as a few weeks before the budget letters were going out from the Department of Finance assuring local taxpayers in Calgary the cost of the move was only $23 million. External cost estimates, which frankly were much more detailed and credible than those released by the department, placed the cost for this move at about $142 million.

It is true that in the year 2005 leases for some parts of the Harvey barracks will begin to expire but it is also true that portions of this land have very favourable leases running to the year 2050. I have trouble believing a compromise was not possible. It would have compared favourably to moving men and equipment and constructing facilities to house them at CFB Edmonton.

Let us say that we can even for a minute accept the department's own revised figure of $44 million and a projected savings of $6 million annually. Considering the time value of money it would take over 12 years for taxpayers to break even on the cost of this move. Obviously that cannot be justified as a cost saving.

We have to ask what is the real motivation for the move. According to documents we obtained through access to information the primary justification was to compensate Edmonton for the decision to move that city's air squadrons to Winnipeg, which in and of itself is probably worth investigating, when these inconsistencies are examined on a case by case basis. I called for an impartial review in the case of CFB Calgary. If we look at these moves across the country in combination with the obvious leadership deficit in the department, the review is more imperative.

There were 30 such changes announced alone in the 1994 budget. My guess is that if each of these cost saving measures is as expensive as the changes to CFB Calgary, we will have a very serious problem.

In the 1995 budget it was additionally announced that the rest of the base, Currie barracks, the 1st Battalion Princess Patricia's Canadian Light Infantry, the 1 Canadian Mechanized Brigade Group headquarters and Signal Squadron, the 1 Field Ambulance, the 1 Military Police Platoon and the 1 Intelligence Platoon will also move from Calgary to Edmonton. Additionally the medical depot, which last year was to be relocated within Calgary, will now also be moving to Edmonton.

In the budget there are no cost estimates available at all, not even the bad ones we had last year. We have since the budget seen media reports that say the base move will cost about $300 million now that the government is closing the entire base. Other reports quote defence officials as saying they have no idea of what the cost will be, that the cost analysis will not even be completed until later this summer.

Again, this lack of financial information must lead to the conclusion that the decision was not based on cost criteria.

• (1215)

One wonders whether this two stage announcement means that the defence minister's cuts have no focus and no strategy, or whether really he has a political strategy rather than a military strategy. We know there is something going on. The minister himself was quoted on March 6 in the Calgary *Herald* as saying: "In the long run, we were going to close Calgary anyway. We did not really say that last year because we did not want to upset people any more than we had to".

This is very distressing in light of the calls my office is now receiving, calls about expensive upgrades to the base facilities over the last year and even calls about ongoing work. More than a week after the base closure was announced these renovations were still proceeding. New siding was put on some of the buildings and the Currie barracks received new water–conserving toilets.

I should mention that the minister said they had already made this decision a year ago. About a year ago I attended the opening of a brand spanking new headquarters building, the Waters building on the Currie barracks at CFB Calgary. Maybe that explains why the announcement was not made last year. It is pretty hard to announce the closure of a base when opening a brand new headquarters building on it.

I have asked for the following minimum information on this decision: How much will it cost to clean up the entire base? How much have similar clean–ups cost in the past? I want realistic projections. I have asked for an accounting of all the renovations and improvements done over the last year. How much, in effect, did we pay for the minister's decision not to release his announcement one year ago?

I have also asked the government for a complete breakdown of the costs to move equipment and personnel from CFB Calgary to Edmonton and for estimates for the subsequent construction that will be needed at CFB Edmonton. I also want to know what other renovations and maintenance costs are likely at CFB Edmonton since saving these kinds of dollars was cited as part of the reason for the move from Calgary.

I also note a number of issues have not even been addressed yet. CFB Calgary remains the marshalling point for emergency operations to the province of B.C. in the event of an earthquake or some other catastrophe. Those kinds of problems have to be addressed.

I would point out in closing that Calgary is not a government town; it is a town of entrepreneurs and business people. Calgary will survive this loss but not without pain and regret, in particular, not without some regret on the loss of a valuable and longstanding military tradition.

Contrary to some mythology, Calgary was not founded by the guns of outlaws, nor was it founded by the guns of private citizens enforcing their own laws. Calgary was founded by a police detachment of the North–West Mounted Police, then a paramilitary force. A year after Calgary was officially incorporated, the Alberta Field Force was formed at CFB Calgary to help provide units in the Riel rebellion. In 1900 the Lord Strathcona's Horse was founded to serve in the South African war. Since then, various regiments have trained in both world wars. Calgary has been one of the most popular sites for garrison posting.

I end by saying that I have invited the minister to come to Calgary not just to meet privately with officials to discuss land but to meet publicly with concerned citizens from all walks of life on the base. He would be able to discuss this decision and to reveal fully to them the costs and the reasons for the decision, both economic and military.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Madam Speaker, I would like to comment on what the hon. member for Calgary West said.

He indicated in his remarks that the Bloc Quebecois was very open to defence cuts as long as there are not made in Quebec's back yard. I would like to tell him that for nearly 15 years, Quebec has been hit by every new set of defence cuts. I would also like to point out that a study commissioned by Canadian Forces General Addy at National Defence Headquarters and just released in December 1994 shows Quebec's distinct disadvantage over the past 15 years.

Even a 20 per cent reduction in overall DND infrastructures, except in Quebec, would not correspond to Quebec's population or contribution to the budget. I have had enough of this "not in our back yard" business, because we have been at a disadvantage for 15 years.

• (1220)

Mr. Harper (Calgary West): Madam Speaker, it is not true that all defence cuts were made in Quebec in the past. Cuts were made in Summerside, for example, as well as in Penhold. Several Canadian provinces were affected.

I generally agree with my colleague that while DND spends less in Quebec and in western Canada than elsewhere in Canada, cuts were steeper in that province. Note in this respect the results of the last election. In Ontario and Altantic Canada, where Liberals were elected, you have higher defence spending and lesser cuts. This is a problem, I agree. But it was the Bloc Quebecois that requested a 25 per cent reduction in defence spending. It is hard to carry out a reduction of this magnitude without making any cuts in Quebec.

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Madam Speaker, I will make a brief comment and then ask a question.

As regards cuts in Quebec, we have indeed been penalized in recent years, particularly since these cuts were not only budgetary ones. Just think of the closure of the only French–language military college in Canada. The impact is not strictly financial, as shown by the drastic reduction in the enrolment of French–speaking aspiring officer cadets since that decision was made. Canada cannot be proud of that decision.

My question is as follows: Has he met, in his region, people from the armed forces reserve who want the situation to be cleared up because they feel that the things for which certain elements are being blamed, as well as the fact that no light is being shed on the issue, are hurting everyone? The result is that people who were once very proud to be members of the reserve or of the Canadian Forces now feel rather uncomfortable.

These people feel that things should be made very clear. We support the Reform Party's motion because it asks that light be shed on this issue. Can the hon. member tell us if members of the reserve forces in his region feel the same way? Do these people feel that the bad apples should be expelled, to avoid letting the situation deteriorate even more?

Mr. Harper (Calgary West): Generally speaking, military personnel are very concerned just now. They do not believe in the government's ability to make cuts in a proper manner. It is my view that, at present, the government does not care about the problems confronting military personnel.

[*English*]

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, as I said earlier in my question and comment, I am pleased to participate in this debate. It is an important debate and I welcome it.

In my presentation I am going to relate to the main purpose of the motion. It essentially addresses morale and leadership, and also concerns by its very nature the ambience of the times, the kind of times we are in and how they develop.

Since this is the 50th anniversary of the victory over in Europe by the allied forces, it is appropriate to go back to look at a 50–year parallel. I am not a military historian. I have not been around long enough to be able to give firsthand 50 years of military evolution. However I have studied the business and I have been part of it for a long time, as have other members in the House.

• (1225)

I would like to share with the House a parallel which I believe we are seeing now in this day and age. Again, if I could take some licence, I am more familiar with the naval aspect, but I think what I say for the navy could also apply to the army and the air force.

Let me take the House back to 1945, when we had the third largest allied force. How that developed is important as well. Let me take it from the navy perspective.

Canada started into World War II in 1939 with 10 ships and 2,000 people. By the end of the war, which for the sake of rough calculation was close to 2,000 days if we take the lead up to the beginning and the aftermath at the end, the navy finished up from those 10 ships and 2,000 people with 400 ships and 100,000 people. That is 50 people a day and one ship every five days. A tremendous expansion.

At the end of the war there was a demobilization. Those people who joined to serve their country in many cases had no intention of staying in and were quite happy to demobilize.

Another important aspect of this should not be lost. Between 1945 and the early 1950s history was in the making. The strategic planners had run amock. It was not their fault. There was no route; the hot war was over. Between the hot war in 1945 and the cold war in 1951, defence planners were in great difficulty in providing direction to people in uniform.

To use a navy example, in 1949 a series of undesirable incidents occurred on our capital ships of the day. This resulted in the three man Mainguy inquiry. The inquiry was designed, developed and commissioned purely to investigate the undesirable specific incidents. The findings of that inquiry led to a fundamental change in the way the navy went about its business in the late 1940s, the early 1950s and on.

The difficulty in planning and in providing direction led to some perturbations in the naval service and perhaps in the army and air force as well. It led to an inquiry, which led to better working conditions, better leadership and better direction. It also happened that in 1951 we had what was called the cold war.

Since that time Canadian forces have been reducing in size, reducing in mobility, and reducing in posturing in bases abroad. The funding has been reduced as well. Is that surprising? It may be undesirable for those who want to see more military expenditures, and I happen to be one of those from time to time. The whole world is reducing. We are now going from a cold war to what perhaps is developing into a hot peace.

With the exception of the interregnum in the Korean days from the early 1950s until about the mid–1950s, the forces continued to decrease. I have a certain amount of sympathy for the defence planners of those days, but we did have a recognized enemy. We did have a recognized capabilities and intentions method of defence planning.

In 1987 the government of the day provided a white paper which was hailed to be the be all and end all. It was lauded by those in the military, by defence planners and other defence organizations, both allied and the other side. It provided things like nuclear submarines for the navy, more aircraft for the air force, more soldiers for the army, a completely new command structure for the army, more reserves, and a further determination to make the total force concept, that is the amalgamation of the regulars and the reserves into one force.

• (1230)

That document lasted three years. We all know the cold war finished in 1990. We ran into the problem in the standing committee on defence. We ran into it in the joint committee. It is not as simple as perceiving an enemy, deciding what that enemy may do and then planning a force structure to counter it.

Who is the enemy today? I am not sure who my enemy is. What are its plans? If you do not know who the enemy is, it is very difficult to figure out what its plans are. What do you do? You do not stop planning. I disagree very strongly with my hon. colleague from Calgary Southeast who says there is no plan.

There was no plan from 1987. I cannot blame that on the government. It did not cause the cold war to stop. From 1990 until 1993 the Canadian forces were essentially without a white paper. That was very serious, considering the tremendous changes that had taken place in those years.

Every year there was an effort to reduce the budget and to reduce the people. This was even accentuated after 1990 when peace groups start asking Canada, where is your peace dividend? A lot of us would say that we had our peace dividend when we were paying 2 per cent of our gross national product for defence in the last 20 years of the cold war, 1970 to 1990, when most of our NATO allies were paying 5 per cent. I am not blaming that on anybody. We happen to be in a very unique geo–strategic position and perhaps we should not have been spending more than 2 per cent.

In the years 1987 to 1993, the cry was that we should have a good planning base. In that way deputy ministers, chiefs of defence staffs, commanders and senior planners would know what was in the budget and what was in the defence program, not next year but five years from now. How can you plan for a force when you do not know how much money is going to be there?

We are five years into this hot peace, as I like to call it. A little over two years ago we had 4,700 peacekeepers committed in a force that was shrinking. Since 1987 the Canadian forces have

gone through a reduction of $21 billion, in capital expenditure mostly, a reduction of 26,000 people in uniform and 16,500 civilians. The reserve force that had such grandiose plans in 1987 will be reduced to a lot less than was planned, to 23,000. In any organization you cannot have such a shrinking philosophy without it causing an effect on those people who serve.

I recognize there are difficulties. The minister recognizes there are difficulties. There are always going to be difficulties in an organization of 60,000 or 70,000 or 80,000 people. If you have 10 people you are bound to have a problem with one or two. That should not be surprising.

The Minister of National Defence announced the broadest inquiry, certainly since the Mainguy commission in 1949. I want to dwell on that for a few minutes. That commission was set out to look at specific incidents in the navy, but it resulted in a fundamental change in how the navy did its business.

• (1235)

While in no way, shape or form would I preclude what kind of findings the commission of inquiry into the Somalia affair will conclude, the calibre of the people and their backgrounds would lead me to believe that any of the recommendations and findings of the commission certainly would have application not just to the Somalia inquiry but to the downstream leadership, modus operandi and maybe even the structure of the Canadian forces.

There is not much we can do after the fact but we can learn lessons. I am not going to get specific about the inquiry, but having read the 19 specific subparagraphs, it is very clear to me that the whole range has been covered. It states in the preamble that notwithstanding what is said in the general sense and what is said in the specific sense, the inquiry has a pretty broad range of matters it can look at. I take some comfort from the fact that the problems are being addressed.

The hon. member for Saanich—Gulf Islands and I, with other members, addressed in the joint committee on defence the issue of morale. It was not an issue because members of the Canadian forces were not appreciated by their fellow Canadians. It was not an issue because members of the Canadian forces were dissatisfied with the military reaction to the way of life. That is in the report. More specifically, they were not dissatisfied and morale we felt was not an issue not because of poor leadership specifically. As the report went on to say, the excellence of the senior ranks was evident as we went from bases to stations to ships, operational forces, logistic forces and administrative forces. That conclusion was reached on October 31.

I have difficulty understanding what could have changed so drastically to lead one to conclude that we have command and control shortcomings, deteriorating morale, poor leadership and that kind of thing.

The chain of command is fundamental to any organization. We all agree on that. I can assure the House that from my knowledge of the hearings the last 10 months and my subsequent involvement with the Department of National Defence, the chain of command is there. However, it is like all chains, some links are stronger than others. We have had incidents and happenings in the last two months that indicate that.

On the business of leadership, I have talked about the shrinking force. It started in 1945 and is still going on. What kind of leadership does it take to keep the Canadian forces in a good state of morale with all the things that are happening that we have discussed here today: reduction in capital programs, reduction in the size of the force?

For the last 10 years the Canadian forces have acted in many ways like the social laboratory for some of the things that have been happening, for the good of the country, but it is the law of the land. I mentioned the Charter of Rights and Freedoms and the Privacy Act earlier in my comments. All these things have happened in less than a decade. If there was not good leadership what would have happened to the Canadian forces?

One of the things we discovered in our deliberations was that members of the Canadian forces were held in the highest respect. That was not yesterday, that is today, last year and the year before. Notwithstanding the shrinking size of the Canadian forces, notwithstanding the tremendous pressure on the senior and junior members of the Canadian forces, the unpredictability of budgets and not knowing from year to year what is really going to happen, and notwithstanding the tremendous complexity of equipment in the last decade, the Canadian forces continue to operate with the highest esteem of their allies and their compatriots in other countries. On top of all this, I do not know of any time in the history of the Canadian forces where the people who serve in uniform have been under such scrutiny from the media.

• (1240)

I wonder if I could be permitted perhaps a minute or so on this perspective. We recently had a program on our new Halifax class ships. It was an investigative type of presentation. The tenor of the program was to castigate in every way a ship that is considered to be one of the best in the world.

I will take a personal side. One of the questions that was asked of one of those who was castigating this class of ship and how it was being brought into service, was asked by one of the commentators: "Would you send you son to sea in one of these ships?" He said no. If I had been asked the same question I would have said yes.

I have a son who has served and is still serving in one of those ships. He left in August of last year and spent five months in the Adriatic in HMCS *Toronto* as the combat systems engineer in an organization that was enforcing the arms embargo in a 21–ship organization representing 15 countries.

One of the commanders of that group, the commander of the standing naval force, Rear Admiral Jim Stark, U.S. Navy, spent a lot of time in HMCS *Toronto*, not just to visit but as his command ship. The facilities of that ship allowed him an ease in command and control that is a matter of public record for the navy. In the five months that *Toronto* was in the Adriatic Sea she was involved in 370 hailings of ships and 56 boardings. We have seen what sort of traumatic experience is involved in boardings in the recent capture and arrest of the Spanish vessel *Estai* on the ninth of this month. They had one of those every three days as well as other sightings and deflections.

I use this example to add to the kind of scrutiny that members of the Canadian forces are under. I hope they are in the process of being addressed. I am not going to repeat what I said about the inquiry. I take comfort from knowing that the inquiry is under way, who is serving on it and its terms of reference. I take comfort from the fact that after six years of not knowing what is happening for members in the Canadian forces, there is now a bottom up study, that has been referred to many times here this morning, in the standing joint committee and a white paper which gives in output terms what the Canadian forces are expected to do.

We have to look at this debate in the context of our own society, in the changing times. We have been living too rich for our own good. We are all cutting back. The Canadian forces are no different. All government departments are cutting back.

We have gone from a hot war to a cold war, from a cold war to a hot peace. We have more Canadian people, young men and women, in the line of fire than we have had any time since the Korean war and World War II, yet our young Canadian men and women continue to provide the very best. They honour us every day by their actions as peacekeepers. So do their regimental sergeant–majors and their commanders and their admirals and generals by their leadership.

It should not be surprising that a senior officer in a base that has been targeted with the kind of scrutiny and difficulties that they have had would comment on morale. He would be expected to do that but twice in his internal letter, which was meant essentially for the chief of the army, he said morale was good. That is a reflection of his leadership and the leadership of others.

• (1245)

There is need to look at morale. These issues are being addressed and debates of this nature will lead to the resolution of some of the difficulties we recognized in the report and which the minister recognizes. Hopefully when these things are put together everybody will be better off as a result.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Madam Speaker, I want to thank the parliamentary secretary for his very interesting remarks; a lot of history that perhaps was not exactly on the subject of the motion this morning but certainly of relevance.

I also would like to recognize the remarks made by the parliamentary secretary that in fact the Liberal government has introduced a white paper which I think was vital. It is not that I agree with everything that is in it, but it is certainly a step in the right direction.

I want to address the remarks he made with regard to the change of mind I have had since the conclusion of the defence review. Obviously I was a signatory to the report which said that senior leadership in the armed forces is excellent. I do not doubt that it is excellent in a lot of cases.

However, I have since been made privy to not one but two reports from senior officers, one of them a gentleman we met in Bosnia when he was the deputy commander down there, Colonel Oehring. He makes it very clear that the problem with the morale of our soldiers can be summed up in one short phrase, a loss of confidence and trust. In a second report, from General Jeffries, whom the parliamentary secretary has referred to, he said referring to morale: "While this side of the problem is serious, it pales in comparison with the evolving lack of confidence in the chain of command which every commanding officer has identified. This confidence is the foundation of our military system. If it is weakening, let alone in danger of disappearing, it needs immediate attention".

Basically this is what the motion is all about. It also involves decisions that have been taken by the government which may either diminish or not adequately address Canada's defence needs. I believe the parliamentary secretary may have overlooked that in some of his comments.

It is also worthwhile commenting that the chief of defence staff has mentioned that he will be cutting 24 generals from the senior ranks of the Canadian Armed Forces. This will still leave well in excess of 70 generals to command an eventual force of 60,000 people. That is more than one general per thousand people and I think that is excessive. I am not saying for a moment that we do not have requirements to serve overseas in NATO and NORAD where there is a requirement for a certain rank level, but that can be addressed without the overabundance

of senior ranks we presently have in the armed forces. That was addressed in my remarks with regard to headquarters things.

I would say to the parliamentary secretary that I agree, unquestionably, that things which come out of the inquiry on Somalia will impact on other areas of defence. There is no question about that. I ask him why, when we know there is a distinct problem with morale and loss of confidence in the leadership of the Canadian Armed Forces, is the minister so unwilling to institute an inquiry to find out what is the problem. Either there is a problem or there is not a problem. If there is one, let us address it.

Mr. Mifflin: Madam Speaker, I am pleased by the comments by colleague from Saanich—Gulf Islands. I know where he is coming from.

There is no intention to hide either the first letter in December from Colonel Oehring, whom he and I both met in the former Yugoslavia, or the rather thorough letter from General Jeffries.

• (1250)

We have close to 100 generals and admirals in the Canadian forces. We heard from one in a base that has been beset with problems for the last two years. That should not surprise anybody. If this is Canadian forces–wide, what is Vice–Admiral Murray saying about this kind of thing in the navy? What is Lieutenant–General Clements saying about this kind of thing in the air force? What is the chief of reserves saying about this kind of thing in the reserves?

I am not trying to be smart about this, but the hon. member is very much aware morale is the first and foremost issue of any military commander. If there is a smattering, if there is a smell, if there is any indication that morale is not the best they can make it, they are charged with the responsibility of doing something about it. These are the examples seen in the two cases mentioned.

I am trying to decry it. I am not trying to minimize it. I am not saying what they are saying is not right. They are military commanders. Clearly they know their system. One would have to accept what they say has meaning.

However, do two letters meant for internal consumption which were not leaked but given to the public set up cause for inquiry into the whole outfit? Do we want to look at the navy, the air force and other aspects of the army? I do not think so.

He asked me why the minister has not done it. I do not think there is enough evidence to indicate that we have a forces–wide problem. The hon. member has commanded units, as I have. If one commands more than ten units, one will have a difficult problem with at least one. In a force of this size with so many units, so many generals, so many operational tasks, while I am not trying to minimize it, some of the problems are already known. There are some difficulties in the areas that were discussed and we would expect the commanders to talk about this and try to rectify the difficulty.

The hon. member talked about another inquiry. There were complaints by the speakers this morning about bureaucratization and encumbrances of the Canadian forces. We must remember the purpose of the Canadian forces is to be prepared to fight for the country. If we load down generals, admirals and senior NCOs with inquiry after inquiry, what will they be doing when they are supposed to be doing what they were basically designed to do?

Let us do this inquiry. Let us find out what we get from this. Let us move on to where we need to go in the future.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Madam Speaker, I thank the parliamentary secretary for his remarks which I listened to very intently and enjoyed very much.

I have a concern in this debate that part of the reason for the lack of morale is perhaps due to the failure to communicate adequately with the armed forces how we as parliamentarians and Canadians feel about it.

It is the question of the soldier who always like to have a letter from home. In this day and age the media can no longer afford to follow the activities of our peacekeepers abroad. Having heard his eloquent remarks, is there any provision to his knowledge for actually distributing the contents of this debate to the Canadian forces both at home and abroad? I am sure it would love to hear what we are saying.

Mr. Mifflin: Madam Speaker, I appreciate that question. It was not planted. It is a good question.

The last part of the special joint committee's report talked about the need for the Department of National Defence to reach out to Canadians more. There is a need for better communication. I think that is the word my hon. colleague used. It was a fair comment. The department is in the process of working on this. When do we know if communications are good? It is a judgmental thing. A better job can be done.

• (1255)

I enjoin every member of Parliament to take the *Hansard* of this debate and send it to each constituent serving in the Canadian forces. I have about 700 and every time there is a major debate I send them copies of the debate with some comments.

I thank the hon. member for his question. It gives me an opportunity to encourage all members of the House to participate in this communications and information exercise.

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Madam Speaker, I do not usually speak on the subject of defence but I thought it was important for me to take part in this debate.

I grew up in a home where during my early years my father was away at war. He fought in four wars; World War I, the Palestinian uprising, the Irish rebellion and World War II.

It was a great honour and pleasure to grow up in a family that believed in peace and knew how necessary it was to fight so others could enjoy peace in the world. My father was extremely proud of his military career. However, I have often heard it said that those who are involved in and see the terrible tragedies of war rarely want to talk about it. Such a man was my father. He had seen too much suffering.

After World War II when my father returned to us in 1945 he became a member of the Canadian Legion, an organization which has worked very hard and established a place for ex–service men and women to meet and remember those who did not return, their fallen comrades.

Later in the 1970s when my father passed away in a military hospital in British Columbia, once again the Canadian Legion came to serve our family. The Legion members provided Legion ex–servicemen as pall bearers out of respect for my father's position and rank while he served in the armed forces.

I was younger then and did not become involved with the Legion and its activities at that time. However, since I have been elected as an MP I was asked to become an honorary member of the Legion out of respect for my father. I have come to see first hand the wonderful programs and initiatives given by Legion members to my community for everyone in the community to enjoy.

Last year I spoke at the opening of a beautiful band shell in the centre of the lovely town of Maple Ridge. Legion members enlisted the help of the community to construct this band shell. Those who supported the enterprise paid for it.

Legion members also run the annual Remembrance Day ceremonies as well as the Canada Remembers program. We planted thousands of tulips in the riding last fall. I am looking forward to May this year when we acknowledge the freedom of Holland on May 6 with all those wonderful tulips in bloom in my community.

Last weekend once again I attended legion ceremonies being held to honour two very special young cadets from Maple Ridge. Cadet flight Sergeant Lesley Reitel received congratulations for the top music award in Canada for her performance in a military band. Flight Sergeant Andraena Tilgner received the award of excellence for an all round outstanding performance as a cadet. She was one of 12 recipients in all of Canada. Both were students at Maple Ridge high school.

This recognition given to young people across Canada is yet another service given by our legionaries, our ex–servicemen and ex–service women, present and past members of the military who encourage our young people in the highest schools of achievement and work ethics.

Fortunately these legionaries did not have a government disgrace their battalions, dismissing them as though they never were. These ex–service personnel have a pride in their war service to their country. It is a pride that develops because you are giving to your country. You are defending a way of life we all hold dear. You are following in the footsteps of brave men and brave women who have gone before you, many who have given their lives.

In World War I and World War II we had a large regular force and a large vibrant reserve force. What has happened since that time? Why the necessity for the debate today? Why have we put ourselves in the position where Canada's military with its proud traditions of courage and intervention on all fronts has to be defended and lifted up, not by the government, not by the recognized opposition party, but by the third party, the newest party in the Chamber, the Reform Party?

Let us look to the history since 1945. Slowly but surely the world changed. We had the cold war when were were dependent on the United States for our protection should there be a nuclear war. Fortunately that never came to pass. During the cold war period it became evident that Canada could not defend its land mass on its own without help from the United States.

• (1300)

Having come to this conclusion there were only three other uses for our military: serve with the new peacekeeping ventures organized under the auspices of the United Nations, give support to the civil power within our borders and be ready to support our NATO allies.

This could then lead to the decision to start to cut military budgets. This was especially true during the Trudeau era. The military budgets began to be cut as money was needed to keep the deficit as low as possible. Government funds were being used for extra social programs.

During the Conservative years the budget of the Canadian forces was cut so severely that it became evident that our military policy was actually being set by the Department of Finance. However during this period our military maintained its commitment to world peace. We sent peacekeepers whenever, wherever asked. When a real war was imminent and finally broke out in the Persian gulf our ships were there right behind the United States navy.

All this is to the credit of Canada's armed forces. It really did manage to do more with less. However in 1993 after the general election it looked like things would change for the Department

of National Defence. The government mounted two studies, both carried out by special joint committees: one on defence and one on foreign policy. We in the Reform Party participated in both. Why wouldn't we? What an opportunity. After years of being ignored members of Parliament were actually being asked for their input on defence and foreign policy.

The committees met, held hearings and reported. In the case of the defence committee we supported the majority view. One of the main conditions we set forth for the report was that the defence budget would not be cut any more than it was in the 1994 budget. Having drawn this line in the sand we compromised even further. We decided to go along with the cuts in spending which would total $1 billion over three years. This was our last line in the sand. We even incorporated defence cuts into our taxpayers budget.

Why do we believe the cuts should go no further than outlined by the special joint committee on defence policy? Quite simply we believe Canada should have a combat capable multi–purpose armed forces.

With a budget lower than that recommended by the Senate joint committee we will have to start cutting capabilities. We will not be able to continue to meet our international commitments. We will have to start saying no when the nations of the world come calling for help. We will have to start picking and choosing when new peacekeeping and peace building requests come from the United Nations. In the event of another gulf war we could join in but only if the war lasted for a considerable period of time; it will take us a while to get ready.

Let us look within the country to see the effects of the cuts. It is difficult to explain the anger and alienation felt in certain parts of the west over the treatment by government which has its heart and soul in central Canada. The government has taught the west another lesson with the last two budgets. It is a lesson westerners learned well during the Trudeau years. The lesson is simply that Liberals do not understand the west. They play old style politics with us. "If you didn't return any Liberals to Ottawa we will get even with you", say the Liberals. "In this case we will close your bases". Witness Calgary, Chilliwack, Cold Lake, Jericho Beach and added to last year's closures especially Royal Roads. The government has decimated the military in the west.

Land forces for western Canada will now be located in Edmonton. That will certainly teach all westerners a lesson: vote Liberal or a Liberal government will hurt them severely.

The closure of the bases will mean hardships for many living in the communities, but in the cases of Chilliwack and Calgary it makes little economic sense. It will cost millions and millions of dollars to move the two bases to Edmonton. In my opinion money will not be saved.

The problems between the government and the military go much deeper than budget cuts. They go to the very core of the problems with the Prime Minister's government. The government does not understand the military. I am referring to the disgraceful treatment of Canada's airborne regiment at the hands of the Prime Minister and the Minister of National Defence.

No one condones the killing of the Somali youth. No one condones the hazing rituals shown so graphically on our television sets. However, why punish the entire Canadian military by disbanding the regiment? The young men and women who thought their futures were with the regiment have had their dreams dashed, have been uprooted and moved away all because the government was too weak kneed to deal appropriately with superior officers, those in the senior ranks who because of their very position are supposed to pay the price if something goes wrong in the trenches. It is not supposed to be the other way around. Then we have the spectacle of the Minister of National Defence stating daily as soon as the courts martial are over that he will establish an independent inquiry.

• (1305)

The minister disbanded the regiment and is to hold an inquiry into what? It does not exist any more. It is interesting to speculate on what would happen if the inquiry results in the finding that a few highly placed officers were to blame but the regiment was fundamentally sound. Will the minister breathe life into the airborne, bring it back? If not, why not?

The government does not understand the military. We in the Reform Party understand and we will fight hard to ensure there are no more cuts.

I am proud to be a Canadian and I am proud of the country's military heritage. I would have thought the Prime Minister, with his years of experience, could have fought hard to keep our military a multi–purpose combat capable force.

Mr. Bob Mills (Red Deer, Ref.): Madam Speaker, as a matter of introduction I feel it is important for us as members of Parliament to scrutinize our federal bureaucracy.

Just two days ago the foreign affairs committee tried to examine former deputy minister Bob Fowler. I did a lot of research and checked out a lot of information about the matter. One area we wanted to examine in detail was management skills, fiscal restraint, organizational abilities and morale building. These major issues should be discussed when we look at the organization of a particular department.

I found many media allegations about Mr. Fowler and his management of DND. As I did more and more research starting in the early part of January, I found the disturbing clouds of five and a half years as deputy minister certainly brought forward a lot of concerns I know Canadians would like to hear about.

Most of the problems were fairly obvious and had been dealt with in detail. I felt it was very important to show that there was no problem and there must appear to be no problem. Perception is everything in this area and is vital to the public's understanding of what is happening.

What perceptions concerned us? If we look at the appointment that had taken place and the very rapid departure of the Mr. Fowler on December 23, that was a concern. It was a concern that our committee was examining Mr. Fowler on the last day possible. It was a concern that the minister chose that time, the middle of that examination, to announce the Somali affair. It was a very poor perception when the press had to be called out of the hearing so they could meet with the minister.

What about the research? What happened? There were shocking and surprising revelations. There were many media stories. Another concern, and it is still ongoing today, is the number of people coming forward who are saying that there is something wrong with DND, that there has been something wrong for a long time with the management. That is why we are having such morale problems. That is why we are having the public problems of which most Canadians are aware now.

We need to look at the issue. We need to get into more detail. We need to look at the management skills involved and the cut in the size of DND that is occurring. The rising debt and deficit have made that necessary. All of us would agree that we must do more with less. That is the reality.

In 1984 the debt was under $200 billion. It increased until 1993 to $489 billion and today to $550 billion. As it escalates out of control we must look at all departments including DND. DND was cut from 87,000 soldiers, 34,000 civilians and a $12 billion budget a few years ago to new targets of 60,000 soldiers, 20,000 civilians and less than a $10 billion budget.

• (1310)

We also have to look at what was happening in the management of DND for the last five and a half years. We came up with a number of very interesting points that should be emphasized.

We came up with the deputy minister's office that has been totally renovated. Its size was increased by more than 65 per cent. The renovations were $250,000 plus, ranging upward to estimates of $500,000. When some of the troops in the field did not even have helmets to wear and had 30 to 40 year old equipment this kind of spending was going on at management level in Ottawa.

While some privates were reported in the media to be going to food banks, which may or may not be true, the deputy minister's salary went from $145,000 per year to $170,000 per year. The senior bureaucracy ballooned. DND went from four ADMs to eight ADMs, a doubling of the amount of senior bureaucracy at that level.

There are other items we should look at in terms of management such as real estate deals. In 1991, DND entered into a 25–year lease on the Louis St. Laurent Building in Hull. The annual payments were based on negotiated value of the property at $73 million. Two separate appraisals were done on the building which came in at $62 million and $65 million. The Auditor General said that DND insisted on a long term lease which public works then negotiated. Six months after the lease was signed DND decided it did not need the space for 25 years. The Auditor General called this a lack of due regard for the economy. I call it a scandal and a loss of $8 million to $11 million.

Basically we have to question that kind of decision from the top of DND. We have questions about the decommissioning of bases. We have questions about moving expenses, which I know will come out later today. The biggest question most of us will ask about is the airborne, a proud regiment. It is a glaring example of management gone wrong.

If we would have acted sooner, if the guys at the top would have known there were discipline problems and would have acted on them, I do not think we would have had what we are all ashamed of. If the information had not been covered up and had been opened to the public, the public would have forgiven and would have understood. However, because of the way it was handled it did not and the airborne does not exist today.

We need to talk about the deputy minister's rich lifestyle. We need to talk about a $60,000 per year chauffeur. We need to talk about flowers for generals' wives. We need to talk about lunches twice a week paid for by the taxpayer. We need to talk about extensive travel and overseas military operations done by the deputy minister's office. We need to look at these concerns but as those who attended the hearings will know none of them were answered.

We have to look at the controversy and ask who is responsible for much of it. We had a deputy minister who was prepared to say: "None of it was my responsibility. It was totally that of the politicians". He made none of those decisions even though in the five and half years he went through six ministers. If he was not the guy in charge I do not really know how the six ministers could be held responsible for everything. If the top dog will not accept any responsibility, it is no wonder we have problems today.

We have other examples. Micheline Clairoux was hired as the director of facilities management. She has been a very controversial person in her office. We could talk more and more about that.

• (1315)

Let us end on morale and where that is at. In 1993 a survey of DND employees found sufficient widespread dissatisfaction to warrant immediate corrective action. One pollster said that if DND were a private corporation, it would have been bankrupt long ago.

In December 1994 Colonel Oehring wrote a report revealing just how desperate and abandoned Canadian troops feel. A report written by Brigadier General Jeffries recently surfaced saying much the same thing. Both blamed the problem on a deterioration of senior leadership. Jeffries was blunt. He said that political agendas and careerism have replaced leadership in the defence hierarchy. He warned about a rapidly developing crisis in confidence in the ability of the chain of command to do its job. I would say that those are fairly condemning comments made by reputable people.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, the hon. member for Red Deer was somewhat repetitive in reciting a litany of media reports of which all of us are aware. I will not grace that with any comment.

I am very disappointed that he would use the opportunity of this debate to castigate in the House a public servant whose reputation and ability are outstanding. I do not think there is any place for that in this debate. The actions of all people involved in the Somalia affair will be looked at in great detail by the inquiry. The hon. member knows that and I regret he has used this debate for that reason.

Also, the third party cannot have it both ways. It cannot all of a sudden change its mind on the things it wants. It wants to reduce the deficit to zero, but it does not want the defence department to be cut.

The Reform Party wants to have an inquiry after the last court martial. When the minister of defence called a press conference the day after the sentencing, the member complained that the minister did it because it was the same day the deputy minister of defence, who is now our United Nations ambassador, happened to be in front of the foreign affairs committee.

The third party cannot have it both ways. If it asks for something and the government responds, then it has done a good job in opposition, but do not ask for more. It should not castigate the government for doing what it has asked the government to do.

The Reform Party asked for an inquiry into the Somalia affair; an inquiry as broad as it could get, with three outstanding Canadians and a broad mandate. Now it wants more. Then it complains about bureaucracy and morale. Inquiries are great. They do wonderful things. However, they do not do a great deal for morale when they are ongoing.

Mr. Mills (Red Deer): Madam Speaker, if everything was so honourable, as was mentioned with the deputy minister, I think there is a fair amount of disagreement about that. That was proven because this investigation is needed.

As far as the day it was announced, I find it a little hard to understand why it had to be at 10.00 a.m., at the very same time that the cross-examination was occurring. Why would it not be at three o'clock right after question period? It is the appearance; it has to appear to be above board.

Mr. Mifflin: Madam Speaker, it was because the minister was anxious to respond to the opposition parties.

Mr. Harper (Calgary West): Madam Speaker, I rise on a point of order. The questions and comments are directed to the speaker, not to a questioner or commenter. If there is additional time, I would ask that you allow additional questions and comments to the hon. member for Red Deer.

Mr. Mifflin: That is what this is about. I would like to address the comment of my hon. colleague from Red Deer.

• (1320)

It was tabled at 10 o'clock because it was the earliest possible time the minister could table the inquiry after the courts martial were finished. The press conference was held immediately after so it could be done in response to what the opposition and the third party wanted. That is the answer to the question.

Mr. Mills (Red Deer): Madam Speaker, I would just like to say that many times after question period is when press conferences are held. I do not understand why it had to be at 10 o'clock in the morning of the very day that the deputy minister was to appear before the committee. To me the perception of that is totally wrong. The point I am trying to make is that the perception is wrong.

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Madam Speaker, I want to say to the hon. member for Saanich—Gulf Islands who introduced this motion today that it reminds me of a number of years ago when, as part of a NATO parliamentary committee, I went to Europe. We visited Baden-Baden and the hon. member was base commander there and would you believe that he briefed us. I must say that the shoe has dropped today because this is the day I want to brief the hon. member and former commander of Baden-Baden.

The motion he has brought before this House today is all inclusive. Having read all the material on the inquiry that is coming up, it too is in depth. Today we have to keep our minds on the issues here and on the fallout from these issues.

I have been a strong supporter of the Canadian military community all my political life and before that because I was an educator on a DND base. I knew the families. Today some of my former students visit me with their children. They even visit me at times with their grandchildren, which sends a message of sorts.

The motion about the inquiry also brings to my mind the hype that was in the media about the Somalia incident and also the recent media hype regarding the airborne regiment. It also brings to my mind the very questionable handling by defence headquarters of the Somalia issue when it occurred.

Exactly two years ago today I had open heart surgery. Two years ago I did not know what was going on but I can say that I do know what is going on today. The situation is that Canada's military community is being hammered for particular incidents. The entire role the military community has played for years and is playing today is being ignored, not only to its detriment but to the detriment of this entire nation.

It is time that each and every one of us in this House and across Canada, yes including the national media, remembered what the Canadian military community has meant to Canada and to the world. We have not been the powerbrokers, but we have certainly been the diplomatic brokers, we have certainly been the communicators on the international scene. If we, as Canadians or the media, continue to downgrade and slam the military community of this country, this nation is going to lose an asset that will take years to rebuild.

• (1325)

Canada has put a positive step forward in many crises around the world. At this time military personnel are being tried in courts and they were tried by the mass media of this country. I must say that it is a time for us to take a look at the flip side of the coin as to what this really means to us as a nation and to each of us as Canadians.

The minister mentioned chain of command on many occasions. I want to see the chain of command totally included in the upcoming investigation. I want to see senior people in the defence department take a seat and answer questions.

I remember watching television in my hospital room two years ago and being so frustrated because I could not be in the House of Commons to defend those people I knew deserved to be defended. They are the mass numbers of people in our Canadian forces who did no wrong, who simply performed their duties and became victims of the desecration. That is what I fear is happening to our military community today.

The defence review committee did address some of the issues that are mentioned in this motion today. We addressed the discipline. We talked about morale. We talked about defence headquarters. I think we were dead–on with the issues we discussed in the defence review committee. Some of those have been addressed in the white paper. I expect they will continue to receive serious investigation and attention.

I mentioned the world image. I would also like to mention that Canada is not a military minded state. All of us know that and many Canadians express it. However, it can be when it must be, and it has been when it had to be.

I want to say something about the airborne regiment. There are many people in that regiment who are not to blame for what occurred. It was a handful of people. Massive destruction was caused by information in the media across this country which stressed the negative aspects while ignoring any positive aspects. That is what really started the whole ball rolling.

Let us go back to 1974 when the Canadian airborne regiment was in Cyprus on peacekeeping duty. Things were very tense over there at that time. The airborne regiment played a vital role in the following actions.

It successfully evacuated 386 tourists from the Ledra Palace Hotel under sporadic fire, and subsequently occupied the hotel and caused its neutralization in the conflict. It successfully evacuated 50 residents of the United Kingdom High Commission area under fire at that time. It preserved the integrity of the green line confrontation area under heavy fire. That is the line between the two combatants.

It assisted the contingent commander of DCOS and United Nations forces in Cyprus in arranging a ceasefire at Nicosia airport, subsequently occupied the airport and caused its neutralization. This was done by the Canadian airborne regiment, by the Canadian forces. It stopped the Turks at that time, as my hon. friend has said. During the protection of the UN base camp Kronborg, it saved the lives of two Canadians while under fire. It provided relief assistance to 600 refugees at the blue beret camp. It helped locate and recover 86 Canadians who were stranded in various parts of the island.

• (1330)

It assisted general relief and security of 200,000 refugees as part of the total United Nations forces in Cyprus effort.

Canadian casualties during the period from July 15, 1974 to the September 10, 1974 were 2 killed and 19 wounded.

In humanitarian operations it came to the relief of the United Kingdom High Commission and United States embassy. It went to the United States embassy on two occasion to help it out. The United States ambassador in 1974 was killed at his embassy in that local conflict. All other staff members were saved by the Canadians.

There are many other incidents too numerous to list which characterize an outstanding performance by the airborne regiment in Cyprus. Most of these actions were conducted under fire, most often while caught in a crossfire.

I want to bring other examples to the attention of the House that the Canadian forces have accomplished. This is what we are discussing today. That is why I am putting the emphasis on these things today. Let us in our discussions not destroy. Let us correct and get on with the useful and positive things our Canadian forces have been known to do and will continue to do in years to come.

There is a letter to the commander of the Canadian forces in Somalia:

> On behalf of the members and the supporters of the United Somali Congress in general and the people of Hiran region in Somalia in particular and on my own behalf, I would like to extend to you and through you to members of your forces that have operated generally in Somalia and particularly to those troops of yours who have operated in Hiran region, our cordial thanks and gratitude for the humanitarian services you have rendered to the people of that region.
>
> Please also convey my personal thanks and that of the people of Hiran region to the government and to the great people of Canada for what their forces have done here. As a matter of fact, the people of Hiran region did not know anything about Canada before your forces arrived in the city of Baledweine, and I want you to know that all the children of Hiran region are writing on the walls of the city the name of Canada with the charcoal.
>
> In addition, we have received countless appeals from people of the region to ensure your stay. This shows how the people of Hiran were truly satisfied with your stay in the region and humanitarian assistance you extended to them.
>
> In the other parts of Somalia where the ex-UNITAF and now UNOSOM troops of other nationalities were operating we did not receive from the natives anything rather than complaints.

Canada more than carried its load. I have a letter from a school system in the region which is really forward in its thanks to the Canadians for what they did with building elementary schools, high schools, helping teachers, helping people to farm. It is all here, written by Somalians to Canadians. It is not some press clipping that has been taken and written up today for today's consumption only.

• (1335)

The Hiran education committee states:

> Really, we cannot forget the Canadian forces who came from far country to assist our people as humanitarian relief and security basis. The Canadian forces, besides the school repairing, are handling now the security problem in Hiran.
>
> We are limitlessly grateful to how much Canadian forces have done to restore hope with responsibilities sharing our community, especially the students and teachers, endless jobs.

I remind the House and all Canadians that as the courts martial went on in Canada, as the inquiry now goes on in Canada, for heaven's sake remember what our forces did in their commitments to humanitarian measures and of peace in the world. Do not take the negative message that everyone is going to hear day in and day out. Let us act very responsible in this matter.

I want to quote partly from a letter by Gen. Johnston, commander of the U.S. Marine Corps in Somalia:

> In those early days the Canadian forces had few vehicles and conducted many of their operations on foot under very trying climatic conditions. The temperatures were most often 100 degrees Fahrenheit and the constant blowing dust was a challenge to the best of soldiers. I was impressed then by the high level of motivation and professionalism exhibited during those early operations. Once the Canadian vehicles arrived, the regiment began widely expanding operations to the far reaches of the HRS boundary combining aggressive long range patrols observation posts and helicopter RECCE.
>
> As an infantry officer, I had considerable appreciation for the skill with which they conducted business. The HRS Belet Ven has been a challenging operating area in part because of the close proximity of major militia formations of three of the most powerful faction leaders and because of its proximity to the Ethiopian border.

We have to remember what was there as their challenge at that time.

Our military community and capabilities are some of the greatest assets the country possesses. There will be, as in any organization, corrective steps from time to time. Do not throw the proverbial baby out with the bath water. Let us not destroy our past history. These people have been strong underpinnings in our image around the world and at home.

I talked about the good relationships when the issue of the airborne regiment was on. I was interviewed on "Newsworld" by Norm Perry. Everyone knows Norm Perry. I talked about the great relationships that existed in my home community of Petawawa between the civilian community and the military community and how that worked in recreation, in business and in many ways.

He said: "Are you trying to tell us the people of Petawawa believe in the incident that went on in Somalia? Are you telling us the people of Petawawa believed in the hazing incident?" I almost said to Norm Perry, an experienced reporter who should know better, that is the stupidest question I have been asked in my 30 years in public life.

• (1340)

The people of Petawawa do not agree with what went on any more than any other Canadian. I do not want my home community targeted by the incident. I want it to be targeted as a community which supports the military community in the good things that it does around the world, in the hours its people put in training and in the hours spent learning discipline. Discipline is very important in the forces. It is part of the important training.

We must remember those people are there to be assigned to difficult situations around the world when they arise.

Let the inquiry take its course but let us have the inquiry going into the headquarters of the military community, hauling those people out for questioning as well. We talk about the chain of command. Let us take the chain of command from top to bottom. Let us use that as a corrective measure. Let us get on with the positive things and remember that Canadians have done great things in the past. Let us encourage them to continue to do so in the future, not destroy them over one incident.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Madam Speaker, I would like to thank the hon. member for his comments. He has always been an impassioned and fervent advocator of the military and once again I support his contention that our military people are doing excellent work.

I did want to point out to the hon. member that while media condemnation has undoubtedly played a part in the downfall of the airborne regiment, the reports that I referred to do not come from the media. They come from commanders, good commanders. I refer to General Jeffries, who said that not only he but all of his commanders were unanimous in reflecting that leadership was a problem, that the lack of apparent concern for leaders in their troops was a problem.

In the instance of the report from Colonel Oehring at land forces headquarters, this is not a narrowly based report. This report covers the army from coast to coast. He too identified a leadership shortfall. While the media impacts, the media is not the total cause of the problem.

With regard to the airborne regiment, I would also point out to the hon. member that it was not the media which disbanded the regiment. That was done by the Liberal Minister of National Defence.

When the member referred to throwing the baby out with the bath water, I would like to suggest that he consider that in this light. I must say that if I had been the Minister of National Defence I would have waited until I had the facts before acting.

He pointed out that some of the recommendations of the special joint committee had been adopted by the government. I agree with that. However, a number of what I consider to be excellent suggestions have not been acknowledged.

If the aim of the game is to correct faults, as he pointed out, does he not agree that is the point of this motion? We are trying to establish that there is a need for an ongoing, in depth, open investigation of what is wrong with the Department of National Defence. If there is nothing wrong, let us put it out there and let the media present that. However, if there is something wrong, let us find it and fix it.

Mr. Hopkins: Madam Speaker, I do not know why the hon. member mentioned General Jeffries' report. I did not refer to it and I certainly did not talk about it in any of my comments. I am sorry if he had a misconception of my comments in that case.

As I said during the course of my speech, there are always corrective measures to be taken. Corrective measures have been taken and they are ongoing. That is the course. Any organization that does not continually correct itself when problems arise is destined to failure. There is no question in my mind that these questions will be addressed. I would like to see the defence committee continue to work on this. There is a role for well–informed members of the House to do that sort of thing.

• (1345)

Let me clarify something for the hon. member. On the television show "Shirley" out of Toronto, people were invited to attend during the airborne issue. When they were on the program they felt as if they were in the middle of a military bashing show. The program was such that the person in charge of the show said that the military had been invited to appear on the show but obviously had not accepted the invitation because they are not present.

That is totally unfair to the military community because as everybody in the House knows, and Canadians know, military people in uniform cannot go on TV shows to talk about their views on military matters. That is not the Canadian tradition nor is it the rules of the game.

This person was doing a great injustice to our military, as was Norm Perry when he asked me that question about my home community of Petawawa. I am not going to let him forget it. I am not going to let the CBC forget it. Politicians are sometimes accused of not defending themselves and not speaking up. When we see something wrong, regardless of whether it will hurt our image from time to time, we have a responsibility to tell it as it is, whether they are the Norm Perrys or the Shirleys or whoever they are. Fairness is fairness and that is what must be built into the system.

They did not get a licence from the CRTC to convey unfairness and misinformation to the Canadian public. They should be talking about both sides of the issue. That is where the train went off the tracks. In Somalia the positive side was forgotten. All that mattered to the media was the issue that took place there. That is what I am emphasizing. I know the hon. member is very fair–minded and he will accept that explanation.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Madam Speaker, I want to put a question to my hon. colleague. I knew the member for Renfrew—Nipissing—Pembroke long before I became a politician. While I do not know every member in the House, I have to say that he is one of the strongest defenders of members of the Canadian forces and has been consistently known for that. The House in general would do well to pay attention to his words of wisdom.

It is because of that view that I would like to ask the hon. member a question. As we did the special joint committee on defence, what was his view on the state of morale and the state of leadership in the Canadian forces?

Mr. Hopkins: Madam Speaker, I thank my hon. colleague for the question and for his very kind comments. As he knows, it is not every day that one gets a kind comment around here. So I will take it while it is coming.

When we were sitting as the defence review committee, the hon. member and I, we did look at morale in the forces. I think the state of morale was partly caused by economic circumstances. Particularly, we heard about problems in the lower ranks because of the pay structure. We heard about a lot of real problems because of lack of equipment. I can tell the hon. member and all members that practically as long as I have been in the House that has been a complaint from the military; they do not have enough equipment or the right equipment.

• (1350)

Today that is changing somewhat because the new ships, which we had a chance to visit and to have a good briefing on, are state of the art. We learned in Bosnia, that our armoured personnel carriers needed upgrading. We need new ones. The committee, as the hon. member knows, was very supportive of that.

We were very supportive about other items such as helmets and flak jackets. We took into consideration all the things that we heard from the people in the field, not someone coming in to brief the committee sitting on Parliament Hill. We travelled with our military for four days. We slept in the same quarters with them. We ate with them. We travelled in the personnel carriers. Members from both sides of the House had that opportunity.

It was very important because it impacted on the minds of committee members that if we are going to ask our troops to go abroad into difficult positions, whether it be cultural difficulties, the hatefulness that you run into in UN peacekeeping duties, that those people have to have equipment in order to perform their duties.

I am sure the hon. parliamentary secretary will agree with me that by and large on the committee we had unanimous support for this type of thing. The members worked very well together. The report is certainly one of the best reports that has been brought into the House on defence matters, not only in our time but certainly in years past.

I encourage the members of the committee to be very positive in the future in holding more committee meetings because, as I said in my remarks, we must continue to discuss the problems that arise, to take corrective measures and to make recommendations. We made many recommendations in that report. Many of them are already included in the white paper that was brought in by the government.

I want to point out to the hon. member who brought the motion before the House today that this is all part of the ongoing scenario. A committee brings in a report, we meet people firsthand and we agree they do have problems. Together we sit down, write a report and make recommendations and the government accepts those recommendations. Also, I am sure that more of them will be studied and taken into consideration in the future.

I want to thank the hon. parliamentary secretary who was very good to deal with on that report. He is well informed. We were very fortunate to have him as he is a retired admiral. The hon. member for Saanich—Gulf Islands is a retired colonel. I must say to the hon. parliamentary secretary that I was—

The Acting Speaker (Mrs. Maheu): I am very sorry. The hon. member has gone over time.

[*Translation*]

The Acting Speaker (Mrs. Maheu): The period for questions and comments has now expired. Resuming debate. The hon. member for Shefford.

Mr. Jean H. Leroux (Shefford, BQ): Madam Speaker, if I am not mistaken, I will be able to finish my speech after Question Period.

Today, as always when I rise in the House, I think of the people in the riding of Shefford who elected me. In fact, these people put their trust in us, and when we speak in this chamber, we do so on behalf of those who elected us.

• (1355)

On March 21, the Minister of National Defence announced that he was establishing a commission that will investigate and report on the functioning of the chain of command, the leadership, discipline, operations and decisions of the Canadian Forces, and the actions and decisions of the Department of National Defence, as to the deployment of the Canadian Forces to Somalia.

Today, the debate in this House is on a motion introduced by the hon. member for Saanich—Gulf Islands, and I will read it to you:

S. O. 31

That this House condemn the government for failing to commission a broad and public inquiry with a mandate to investigate the government's failure to hold senior officials at the Department of National Defence accountable for command and control shortcomings, deteriorating morale, and decisions which diminished or have failed to improve Canada's defence posture.

The average person will want to know the difference between these two positions. The minister announced he was establishing a commission that will examine the problem of Somalia and the Second Airborne Regiment, while the motion introduced by my colleague wants to expand the scope of the commission to include the entire department and gives us an opportunity to discuss these problems here in the House. As you know, morale in the Canadian military has reached a new low, and that is because Canadians are increasingly reluctant to trust the people at National Defence.

When we refer to the people who run National Defence, we are not talking about the average soldier. They do not make the decisions. We are referring to the people who make the decisions, to the top level officials.

The Speaker: My dear colleague, you will have the floor again at 3 p.m., after Oral Question Period. Since it is now 2 p.m., pursuant to Standing Order 30(5), the House will now proceed with statements by members pursuant to Standing Order 31.

STATEMENTS BY MEMBERS

[*Translation*]

WORLD DAY FOR WATER

Mr. Paul DeVillers (Simcoe North, Lib.): Mr. Speaker, in 1992, the general assembly of the United Nations proclaimed March 22 World Day for Water, an annual event to remind us of the importance and value of water in our daily lives.

Canadians could easily reduce their water consumption by a third. We must return to basics, since water is the public service most vital to our health and economic prosperity.

[*English*]

Water efficiency requires the full commitment and co–operation of all water consumers. Watercan, an Ottawa based non–profit organization, along with several partners has demonstrated its commitment by organizing world water day activities and by raising the public's awareness to use water wisely.

The unveiling of a unique interactive water display called Blue Watercan Caravan at Toronto's Eaton Centre will kick off this year's activities. The caravan will also travel to Vancouver and Montreal promoting water wise messages and will end its tour in Ottawa May 3 to May 9.

[*Translation*]

SALE OF CANADIAN CF–5 AIRCRAFT

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, on Monday, in response to a question from my hon. colleague for Red Deer, the Parliamentary Secretary to the Minister of National Defence confirmed that Canada is indeed negotiating with Turkey at the moment for the sale of the CF–5 fighter planes scrapped following the tabling of the latest white paper on defence policy.

• (1400)

Since the rules governing Canadian exports of weapons technology are the responsibility of the Department of Foreign Affairs, what assurance can the government give to the people of Canada and Quebec that these Canadian fighter aircraft will not be used against civilian populations as is the case at the moment with Turkish offensives against the Kurds on the Iraqi border?

* * *

[*English*]

SALMO MAKES CENTS

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, it has often been said that great things come in small packages. That saying is certainly true in my riding.

Salmo, a community of 1,300 enthusiastic people, wants to give Canada a special present on its birthday. Noting that the mint spends over $10 million a year replacing hoarded pennies, Salmo hit on the idea of challenging communities and service clubs across the country to gather in more pounds of pennies on a per capita basis than it does.

Penny drops are now set up throughout the province and will soon be in other provinces as well. It proposes that all pennies collected will then be shipped to Ottawa to be applied against the national debt on Canada Day. This project has caught the interest of people all over B.C. and it is still growing.

Salmo challenges all hon. members to dig into their jars, dressers, drawers and penny banks to collect more pennies on a per capita basis than the residents of Salmo.

This patriotic project will not only reduce the debt by millions of pennies, it will also save a substantial portion of the $10 million the mint spends to replace hoarded pennies.

Salmo, a small town that makes a lot of cents.

* * *

IMMIGRATION

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, Canada is a country of immigrants and a tolerant one. However, Canadians were told this week by the Canadian Human Rights Commissioner Max Yalden that there

appears to be an undercurrent of intolerance around immigration and Canada's changing demographic face.

I must urge my colleagues not to let any actions tarnish the excellent image Canada enjoys around the world as a country of tolerance and compassion. Let us not fan the flames of anti–immigration for they will ultimately consume us all and our good reputation.

In this respect, the timing could not be more perfect for the Liberal government's decision to establish the Race Relations Foundation.

* * *

[*Translation*]

AMERICANA 1995

Mr. Martin Cauchon (Outremont, Lib.): Mr. Speaker, one of the Liberal Party's policies is to promote and support the environmental industry in Canada to enable it to explore new markets, broaden its activities and create new jobs.

I am delighted to announce that Environment Canada is taking advantage of the opportunity presented by Americana 1995, an event currently taking place in Montreal until March 24, for the very purpose of enabling the promoters of environmental technology funded by our various programs to learn more about gaining access to international markets.

In addition, we have planned certain activities in order to give these promoters an opportunity to meet members of the international delegation invited to this event so they may demonstrate their technological innovations to potential buyers.

Environment Canada, Industry Canada and the Federal Office of Regional Development are partners in this event.

* * *

RAIL TRANSPORT

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, the Bloc Quebecois is continuing to do its blocking job in order to prevent the government from passing the back to work legislation for the rail industry quickly.

We must denounce this official opposition tactic because it is prolonging a dispute directly affecting thousands of Canadians, in addition to causing all regions of the country to lose great amounts of money.

Perhaps we should remind the Bloc Quebecois of its commitment to present and to defend in the House the report which the organization Rural Dignity made public on June 16. That report said that railway links are not a privilege but a right. The organization said that the railway is a tool needed to maintain and develop the regions.

It is time for the Bloc to be true to its words and to stop blocking this legislation.

* * *

CANADIAN NATIONAL

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, Canadian National treated itself to full pages of publicity in the dailies stating that its employees are paid to do nothing.

Egged on by the unfailing support the federal government has given it from the very beginning, that company is using the worst demagogy to achieve its ends, which is to stop the strike and to erode working conditions. Some believe that the lower the working conditions are, the easier it will be to privatize CN. In fact, the federal government wants to line its empty coffers with money taken from CN workers.

Does this kind of publicity show the Liberal government's and the employer's good faith and will to settle the dispute? Not at all.

• (1405)

CN's ad this morning states that we are no longer in the 1980s and that the company must adapt its employees' working conditions.

For all intents and purposes, by denying the right to strike, rejecting all negotiations and imposing their own conditions, CN and the Liberal government are setting us back several generations.

* * *

[*English*]

OPERATION VARSITY

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, 50 years ago tomorrow morning, on March 24, 1945, the first Canadian parachute battalion made its last wartime strike from the skies into enemy territory in a major allied attack across the heavily defended Rhine River. The battalion had first jumped into battle on D–Day in Normandy as part of the 6th British Airborne Division.

Its air assault over the Rhine, which saw one of its members, Corporal George Topham, win the Victoria Cross, was once again marked by success.

The bravery of this hard–hitting unit, dropped in the midst of a desperate enemy defending their homeland, should never be forgotten.

Our Canadian airborne won the respect and hearts of their comrades, joining an airborne brotherhood which transcended all borders of the Commonwealth.

Historically, Operation Varsity was the largest and most successful airborne operation and is recorded among the battle honours, borne on the colours of the Canadian airborne regiment.

Dawn tomorrow will mark a special anniversary for paratroopers who played a significant role in hastening the end of World War II. We extend to them our sincere congratulations.

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MEADOWCROFT PLACE SENIORS RESIDENCE

Ms. Albina Guarnieri (Mississauga East, Lib.): Mr. Speaker, on Tuesday my riding of Mississauga East was struck by tragedy.

Flames evicted the most vulnerable members of our society from their homes at Meadowcroft Place seniors residence on Constitution Boulevard. The fatal blaze took the lives of three of my constituents, while another 10 were left hospitalized. Many more were left displaced and shaken by the experience.

[*Translation*]

I would ask all the members to join me in expressing our sympathy for the families of the elderly persons who unfortunately did not survive.

[*English*]

Our best wishes for the full recovery of the injured and all other survivors. Our prayers and thoughts are with you.

* * *

RAIL STRIKE

Mr. Ron MacDonald (Dartmouth, Lib.): Mr. Speaker, the Bloc Quebecois' continuing blockage of legislation that would put Canada's rail network back to work is clear evidence that the official opposition cares little about Canada's economy or the impact this strike is having on working men and women across this country.

Each day this strike continues costs the Canadian economy tens of millions of dollars. The port of Halifax alone has already lost millions as ships are diverted to American ports such as New York. The Bloc's actions are causing layoffs, shutdowns and misery from sea to sea, including the province of Quebec. This must not and cannot continue.

I urge Bloc members to recognize the impact their actions are having on the Canadian economy. Their continued blockage of the return to work legislation is just the latest example of how truly out of touch they are with the desires of Canadians, including the good people of the province of Quebec.

RAIL STRIKE

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, I rise to express my complete and utter disappointment with the members of the official opposition and the members of the NDP. They have seen fit to allow the people of Canada to be economically devastated as a direct result of their unwillingness to co–operate with the government and its attempts to end the crippling effects of a national rail strike.

It is estimated that the national rail strike could end up costing Canada $3 billion to $5 billion.

Certainly members can appreciate the necessity of the back to work legislation tabled by the Minister of Labour on Tuesday. Even the president of the Canadian Auto Workers Union states that there is "absolutely no advantage or reason for them"—the opposition—"to delay the legislation".

Given the economic harm this strike has already brought to the people of Canada and in particular the good people of Ontario, Quebec and the western provinces, I implore members opposite to set aside their petty politics long enough to act in the public interest for their constituents and to put an immediate end to the chaos caused by the national rail strike.

* * *

[*Translation*]

PORT OF MONTREAL

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, it is with great relief that the official opposition learned that the mediator had managed to bring the parties close enough to allow workers to return to work in the port of Montreal. This is an encouraging sign that it will be possible to solve that conflict through negotiations.

If the Minister of Labour had appointed the mediator earlier, the strike might have been avoided or, at the very least, been considerably shorter. The slowness of the minister in this conflict clearly shows that the government neglects the economic interests of Montreal. The success of the mediator should be an inspiration to the Minister of Labour.

• (1410)

Mediation can work when the parties can truly negotiate. It is undemocratic and irresponsible on the minister's part to impose arbitration so quickly in the rail strike and in the Vancouver port conflict, without first giving mediation a chance.

[*English*]

QUESTION PERIOD

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, yesterday in this House when I asked my question, a Liberal member referred to me with the insulting word "scum". Although this member apologized at the end of the proceedings, the damage had been done and I did not have the opportunity to reply.

I wonder if members of this House realize it is how we treat one another which disgusts our viewing audience at home. This childish display of verbal attacks on members of this House during question period is an attempt to intimidate those very members for whom the question period is designed. This display shows a lack of respect for this House, a contempt for this House—

The Speaker: Colleagues, I only intervene to point out that this specific matter was dealt with yesterday in a point of order. I believed at the time that it had been resolved and that is why I am intervening at this time.

* * *

RAIL STRIKE

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, people from Saskatchewan, especially farmers, are very concerned about the effects of the rail strike on their ability to get their products to port.

Farmers across Saskatchewan were quite disgusted with members of the NDP when they put the interests of their union masters ahead of the needs of the grassroots farmers, whom they claim to represent, when they did not give their consent to fast track Bill C–77 on Monday.

As for members of the BQ, farmers are not surprised that the Bloc would stoop to such tactics. No doubt they have realized that the strong economic growth and the excellent government provided by the Liberal Party are convincing Quebecers to remain in Canada. Then the rail strike came and they realized they could damage the economy of Canada.

Farmers and industries in Saskatchewan need the rail lines. Without efficient rail service, any chance of economic growth will be lost. I appeal to all members to allow the bill to proceed as quickly as possible.

* * *

IMMIGRATION

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, among the many Canadian traditions lost by the wayside in the Liberal budget was the tradition of fairness.

The new $975 fee imposed on every new immigrant and refugee plus the existing fees will mean that a family of four will need to pay $3,150 just to get into the country. This new form of head tax will be a particular burden to immigrants and refugees from poorer countries with low average incomes.

Canada needs new immigrants if it is to maintain its population and economic base. Studies show that immigrants put more money into the Canadian treasury in taxes than they take out in services.

The government with this new discriminatory tax has created a major obstacle for the newly arrived. Where is the fairness? Where is the humanity?

No one denies the need to deal with the debt that former Liberal and Conservative governments have created, but surely we can have a leaner government without it becoming a meaner government.

* * *

RAIL STRIKE

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, today is the sixth day of the national rail strike. Ontario's economy is coming to a standstill. Hundreds of millions of dollars are lost each day in this struggling economy because of the strike. It is unconscionable for the Bloc Quebecois, with the exception of one courageous member, to allow this strike to continue knowing fully the damage it is causing.

Among the millions who have the Bloc and the NDP to thank for this unnecessary strike are: 2,500 CAW members at Ford Canada's St. Thomas, Ontario plant who have been sent home because of a shortage of parts; 3,900 CAW members at Oakville and Windsor who will be working only halftime this week for the same reason; and at least 70,000 commuters in Montreal and Toronto who are facing long delays in getting to and from work.

Although our official opposition does not care about the Canadian economy, everyone else in this country does. It is time to move and quickly.

* * *

[*Translation*]

REFORM PARTY LEADER

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I wish to congratulate Les éditions des Plaines, in Saint–Boniface, Manitoba, for publishing a book on the Reform Party leader, Mr. Preston Manning. We welcome the initiative of that publishing house, which followed up on a request made by French–speaking Canadians interested in finding out more about the Reform leader and his ideas.

On behalf of the Reform leader, I thank the publishing house for its objectivity and hope that the community of Saint–Boniface, as well as all French–speaking Canadians, will enjoy some good reading.

• (1415)

[*English*]

We understand from Les éditions des Plaines that it was responding to a demand from French speaking Canadians and is encouraged that more francophones are demonstrating a willingness to inform themselves about the Reform Party and our leader.

We wish Annette St. Pierre and her publishing house the best of luck and a good read to the community of St. Boniface and French speaking Canadians all over.

ORAL QUESTION PERIOD

[*Translation*]

RAIL TRANSPORT

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I am convinced that all members of the House are glad to see that the appointment of a mediator in the Port of Montreal dispute has paid off by allowing the employees to go back to work this morning while leaving the door open to a negotiated settlement.

My question is for the Minister of Labour. Given the success of mediation in the Port of Montreal dispute, where talks had dragged on for 25 months, why is the government stubbornly rejecting mediation combined with a return to work for the railways, as the official opposition has been proposing since Monday?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, as Minister of Labour, I am very happy to see that the mediator in the Port of Montreal dispute has succeeded in bringing the parties to agree to a voluntary resumption of work, without any act of Parliament. I hope that the mediator will also help the parties negotiate a collective agreement and that we will not experience another work stoppage at the Port of Montreal.

As far as the railways are concerned, that phase is already over. We have already tried to reach an agreement with the parties. We went through several phases involving conciliation, a conciliation commissioner, Department of Labour officials and even the minister herself to help the parties reach an agreement. Unfortunately, this did not happen and we must now take action.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I must remind you that the minister forgot to tell us that there was no mediation in the rail dispute and that mediation at the Port of Montreal did wonders. The government should apply the same approach to the railways, thus avoiding a bludgeon law.

Some hon. members: Hear, hear.

Mr. Bouchard: The federal government can settle the dispute in the next hour by being flexible and agreeing to mediation.

In this context, how does the Minister of Labour explain her refusal to make any concession, when the Canadian Manufacturers' Association begs her to be flexible and settle the rail dispute immediately? Does the government want to settle this dispute in the next hour, yes or no?

Some hon. members: Hear, hear.

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, I hope that both parties want to settle this dispute in the next hour. It is up to them to settle this dispute in the short term, thus precluding government action. However, if they cannot do so, we will have to assume our responsibility. This has enormous economic consequences from coast to coast; jobs are being lost across the country. It is our duty to act.

I urge the Bloc Quebecois to take a very realistic look at the situation and the jobs that are being lost.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, my question is for the Minister of Transport.

Everyone knows that the only reason why the federal government refuses to allow mediation for rail workers, as it did in the Port of Montreal dispute, is that it intends to break the unions so that it can sell CN for more money.

Does the minister not see that CN will be much harder to sell if it is hampered by a rotten labour relations climate resulting from a bludgeon law?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the hon. Leader of the Opposition seems to be operating under a certain misunderstanding of the situation.

When we commercialize the operations and the assets of Canadian National I will not be selling CN. The taxpayers of Canada will be the ones who benefit from the commercialization of CN.

• (1420)

That is why efforts are being put forward to make sure that CN is viable and competitive and that it survives as a railroad from coast to coast. I know the hon. Leader of the Opposition is not very interested in what happens in Canada from coast to coast.

* * *

[*Translation*]

TURKEY

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is for the Deputy Prime Minister.

Kurds in northern Iraq have been under attack for several days by the Turkish air force, supported by 35,000 troops. The United Nations High Commissioner for Refugees expressed serious concern over the fate of Kurdish civilian refugees. While

Washington and Moscow chose to turn a blind eye to the Turkish incursion, the European Union sternly denounced it.

Could the Deputy Prime Minister tell us what the Canadian government's position is regarding the totally unacceptable and reprehensible actions by this NATO military ally of Canada?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, in the absence of the Minister of Foreign Affairs I should like to inform the House that Canada views the ongoing developments in Turkey with some degree of concern.

We believe that all our NATO allies, as with all countries, should respect normal international rights, procedures and respect of others. The minister is actively pursuing the matter. I believe these views have been made known to our NATO allies. It is subject to further discussion.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, could the Minister of National Defence tell us if the negotiations under way concerning the sale of Canada's fleet of 63 CF–5 fighter bombers to Turkey is Canada's way of protesting against Turkish attacks on Kurdish minorities?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, a number of years ago there was a memorandum of understanding between the Turkish government and the Canadian government about the disposition of surplus aircraft, the CF–104s, that Turkey indeed received.

Obviously Turkey has defence requirements and it shops around quite frequently. It understands that we have surplus CF–5 fighter planes and has made inquiries of Canada. However no deal has been arranged. No agreement has been concluded.

In any sale of surplus military equipment we have made quite clear that the purchasing countries have to give us certain undertakings on the use of the equipment so that it does not infringe in any way upon the rights of others or the equipment is not used in ways that Canada would not approve of.

* * *

THE ECONOMY

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, since the February budget the President of the Treasury Board, the Minister responsible for Public Service Renewal and officials of the finance department have all predicted that the federal deficit would be eliminated by the year 2000.

The Minister of Finance has yet to deny or confirm the predictions publicly so I ask him if in his meetings with Moody's yesterday, the bond rating agency, he gave a target date for the elimination of the federal deficit.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, what I said to Moody's in the meeting yesterday was what I said I would say in response to the leader of the third party's question yesterday, in fact in response to same question the day before, and I believe in response to the same question a week before.

I set out our very clear intention to balance the books. I also said we would do so through a series of short term targets that would keep pressure on the government which was by far the best way of controlling our spending.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the minister can keep talking about rolling targets all he wants, but the fact of the matter is that if all the minister told Moody's yesterday was what he said in the House or told Canadians, he is simply inviting a downgrade of the credit of the country.

Even today Dominion Bond Rating Service, a Canadian agency, has reviewed its outlook on Canada's credit rating from stable to negative.

I have a supplementary question. Is the finance minister prepared to take responsibility for any downgrading of the country's credit rating and all the negative effects that will flow from that?

• (1425)

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the leader of the third party quotes DBRS. In fact the statement from DBRS is: "We expect to be releasing something in the very near future, a couple of day to a week or so. We have not made a decision on the rating of the federal budget yet but we will be doing so shortly".

In fact it is not Moody's, not DBRS, not Standard and Poors; the only person who keeps talking about downgrading the country's credit is the leader of the third party.

Some hon. members: Hear, hear.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the minister gets cheers in the Chamber for that type of statement, but every time we stand in the House and demand deficit elimination rather than deficit reduction it is investors, lenders and rating agencies that cheer when we make those types of statements.

This is very straightforward. If Moody's does not downgrade it is because the finance minister told it something he has not told the House or Canadians. If Moody's does downgrade it is because the minister's budget does not go far enough fast enough to restore lender confidence.

The Minister of Finance has one way out of this box. Will the minister end the secrecy and uncertainty and tell Canadians how and when he intends to eliminate, not just reduce, the Canadian federal deficit?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, what I told Moody's is contained in the document I tabled in the House when I presented the budget. It is called the budget.

I can understand that the leader of the third party has not read it because when I presented it in the House he was not here. He was out trolling for media clips.

* * *

[*Translation*]

TRANSFER PAYMENTS

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, yesterday, Dominion Bond Rating Service confirmed the misgivings the official opposition and the Quebec government had about Quebec and Ontario being hit hardest by most of the cuts in transfer payments announced by the federal government in its last budget.

My question is for the Minister of Finance. Will the minister confirm the Dominion Bond Rating estimate that Ontario and Quebec will have to absorb 71 per cent of the reductions in transfers announced in the last federal budget?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, first of all, the DBRS analysis did not take into account tax points, which play a very important role in our transfers. Second, their projections for 1997–98 are nothing but pure speculation because, as you know, we did not indicate in the budget how the cuts would be apportioned.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, be that as it may, can the Minister of Finance deny that, to preserve his own image as a good manager and his own credit rating, he knowingly and deliberately jeopardized the credit ratings of Quebec and Ontario by transferring his budget problems to these provinces?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, perhaps I should quote from the DBRS report—I will translate for you. According to DBRS, justice, equity and improved efficiency are the guiding principles of our reform, as far as transfers to the provinces are concerned. In other words, DBRS is saying that what we have done in fact is follow the principles of equity and good management.

• (1430)

[*English*]

In terms of Quebec or Ontario there are models they could follow.

For the first time since it has joined Canada, a Newfoundland finance minister has tabled a balanced budget. Other provinces could follow Newfoundland.

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RAIL STRIKE

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, in April of last year the government commissioned Paul Fraser to prepare an independent report on labour issues at CP, CN and VIA Rail.

If this report is worth anything at all, why were the recommendations not implemented in time to save the collective bargaining process and have the parties come to an agreement on their own without having to resort to back to work legislation and a $3 billion hit on the Canadian economy?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, the minister's special advisor passed on his opinion and advice on a regular basis as the situation evolved. I think he has done his best to bring the parties together and, as we speak, Mr. Fraser's mandate has not expired yet. Therefore, no report has been tabled so far.

[*English*]

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, it would certainly be nice if Canadians could see Mr. Fraser's report. We are becoming all too familiar with the secretive and rather stalling tactics of presenting these reports in the House.

Will the Minister of Labour tell the House if this report actually contains any anti–replacement worker legislation?

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, I can only repeat that Mr. Fraser's mandate is not over; therefore, he has not yet tabled his report.

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SUICIDE IN ABORIGINAL COMMUNITIES

Mr. André Caron (Jonquière, BQ): Mr. Speaker, my question is for the Minister of Indian Affairs.

The federal government was criticized by the Canadian Human Rights Commission mainly for doing nothing to curb the alarming incidence of suicide in aboriginal communities.

In light of the fact that the government was reminded time and time again of how serious the problem of suicide among aboriginal people is, how can the Minister of Indian Affairs explain that, 16 months into his mandate, he still has not done anything to remedy the situation, forcing the commission to take him to task once more?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we have done considerable work with aboriginal communities on the very serious problems that plague some of them.

Let me remind the hon. member that despite some of the communities we hear about there are many others functioning very well. Health Canada has set up a number of initiatives to address the very serious problem of aboriginal suicide in some communities.

[*Translation*]

Mr. André Caron (Jonquière, BQ): Mr. Speaker, over a six month period last year, in the Ontario reserve of Pikangikum alone, out of a total population of 1,600, 50 young people aged 15 to 24 attempted to take their own lives and, sadly, five others succeeded.

In the face of this tragedy, how does the minister explain his stubborn persistence in uprooting young aboriginal people at a cost of thousands of dollars instead of building a local assistance centre, as requested by the community?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, we are now in the process of selecting three sites for solvent abuse treatment. We certainly hope to have some of these sites selected by early this spring so that construction can begin.

This is a very serious problem for aboriginal communities. If hon. members have any other suggestions, feel free to come forward. We will do whatever we can to address this serious concern.

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INDIAN AFFAIRS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, yesterday Ovide Mercredi, national chief of the Assembly of First Nations, released contents from the minister's speaking notes surrounding his secret $5 million policy paper on inherent right to self–government.

Can the minister confirm that after 16 months of consultation his policy of self–government is based in the municipal style espoused by the Reform Party?

• (1435)

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the question was whether our concept is based on the municipal form of government as espoused by the Reform Party? Certainly not.

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, I expected more of a complete answer.

Can the minister confirm that his $5 million policy paper states that he is making provincial participation mandatory in self–government negotiations?

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, what was proposed at the Quebec conference of ministers and aboriginal leaders by the federal government is that we would have a broad consultation process. This is the $5 million alluded to by my friend.

Sixty–nine submissions were received by aboriginal people. I have met with about half of the provinces. I am trying to gain a consensus that there is a good starting document there and not a document that will be repudiated from day one and wind up on someone's shelf to be forgotten.

I am not looking for 100 per cent but certainly for some form of consensus. If I do not get it I will come forward with the policy as we proposed in our red book.

* * *

[*Translation*]

BURUNDI

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, the situation in Burundi is deteriorating significantly and the risks of a Rwanda–like genocide are increasing. The official opposition is very concerned about this and has asked the government several times to take the steps required to prevent such a massacre.

How can the Minister of Foreign Affairs reconcile his government's position on this matter with the comments made this week on CBC by his representative in Bujumbura, who said that everything was going well in Burundi?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I wish to remind the hon. member of what I said before in this House, namely that Canada, too, was concerned about what is happening in Burundi. In addition, I would like to correct the hon. member, who attributes to our representative in Burundi an assessment of the situation which is not the one he gave.

On the contrary, he explained that the situation was difficult but that, despite these difficulties, it should not be compared to the situation that existed in the days preceding the massacre in Rwanda. I think that, objectively, she should not ascribe to our representative comments he has not made.

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, could the minister tell us what steps the government has taken to help stop the escalation of the ethnic conflict in Burundi and, among other things, to promote the creation of an international inquiry

commission on the October 1993 events, as the participants in the regional conference on Burundi requested last month?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, again, I think it is important to remind you that the government did not wait for the opposition to ask us a question in this House before taking action. My colleague, the Secretary of State, travelled to Burundi to attend a conference with officials from other countries concerned about this matter and about Rwanda.

Several weeks ago, we appointed a special roving ambassador on these issues, Ambassador Dusseault, who, week after week, visits Burundi, Zaire, Rwanda and other countries interested in what is happening over there.

• (1440)

Of course, Canada wants to avoid a bloodbath. Of course, these ethnic conflicts are reprehensible, but I will remind the hon. member that the representations we have made at both the UN and the Organization of African Unity to try to convince other countries to join Canada in taking action cannot be attributed to Canada's lack of interest. On the contrary, we are very interested, very concerned, but Canada alone cannot resolve this persistent ethnic problem in Africa.

* * *

NATIONAL DEFENCE

Mrs. Pierrette Ringuette–Maltais (Madawaska—Victoria, Lib.): Mr. Speaker, my question is for the Minister of National Defence.

[*English*]

In previous years his department has been contracting seasonal work to retired military personnel receiving a pension, thus double dipping and leaving in the cold many Canadians seeking employment.

Can the minister tell us if his department will continue to hire retired military personnel or will civilians have a fair opportunity to work at these seasonal jobs?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I would like to remind the House that retired military personnel have the same rights and privileges as all Canadians.

One set of guidelines we follow is federal legislation. All Canadians have an opportunity to compete for these jobs. We are monitoring the situation to see that there are no instances in which people are being favoured because of their former involvement in the armed forces. It is of great concern to us.

The hon. member should know that everyone should be treated fairly, and they will be.

GUN CONTROL

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, on Monday night 99 per cent of the members of the Saskatoon Police Association voted in opposition to Bill C–68, the Firearms Act.

Polls taken in Estevan, Prince Albert, Weyburn and Moose Jaw show 95 per cent of the city police are opposed to this bill.

Who is the Minister of Justice going to believe, the chiefs of police sitting in their offices or the real police experts out on the streets catching the real criminals?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, like all other information that derives from the gun lobby, I urge the hon. member to check for the real facts.

Let us determine first of all how many officers in those departments participated in the so–called vote. Let us find out what they were asked and the reason for the meeting being called in the first place.

The Saskatchewan Federation of Police Officers intends to conduct its own poll and we shall see what happens when all the police in the province are asked the full question.

There is no doubt there are individual police officers, individual police chiefs, who do not agree with all parts of the firearms bill. However, while it is not unanimous, we continue to believe this bill has the support of the vast majority of Canadians and police officers.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, we have also had many chiefs of police contacting us, vehemently opposed to more gun controls. The Saskatchewan Association of Rural Municipalities is overwhelmingly opposed. It had over 600 members at the meeting. The Saskatchewan legislature is unanimously opposed to C–68 and wants it withdrawn.

If the Prime Minister's claim is true that registering guns is no different than registering cars, will the minister allow the province of Saskatchewan to establish its own gun control laws?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, there is no doubt that in this election year all sorts of things will happen in Saskatchewan and in its legislature.

Perhaps the members opposite can look at the facts of this case and examine the question that in Saskatchewan the fatality rate from firearms is 50 per cent higher than the national average. The suicide rate from firearms is twice the national average. Let us talk about community safety.

• (1445)

[*Translation*]

INDIAN AFFAIRS

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, my question is for the Minister of Indian Affairs.

A report from the Department of Indian Affairs on the transport of food to the far north links the health problems of aboriginal people to the lack of affordable nutritious food.

How does the minister explain that the millions of dollars spent by his department still have not made a significant difference, and that the price of food remains two to three times higher in these regions than in the south?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, we will be allocating in the range of $16 million toward food mail. The problem is recognized. The hon. member for Saint–Jean repeatedly brings it to the attention of the House.

We are trying to break up the food into a more definitive process: perishable and non–perishable. It will continue to be a problem. I can only commit to the member that my ministry will be there. We will be lobbying governments and, hopefully, the province of Quebec, which has a responsibility. The people living there are not only citizens of Canada, they are also citizens of Quebec. I would like to work co–operatively with Mr. Cliche and with the premier to solve the problem in Quebec.

[*Translation*]

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, my supplementary is for the same minister.

In the last four years, over 400 pages of studies and reports have been produced by that department on the Omnibus air service and the nutritional status of the Inuit.

Based on these studies, can the minister explain why the cost of food remains so high, in spite of substantial subsidies?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the answer is quite obvious. It is distance. It costs money to send food that far.

The alternative to living as Canadians in their environment is to move everybody to Montreal, which we do not want. We want them to live there. We want them to live peacefully in our country and with good health. I am committed to working with the hon. member, the Bloc party and the province of Quebec to do a better job.

* * *

NATIONAL CAPITAL COMMISSION

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, earlier this month the general manager of the National Capital Commission proposed a grand plan which would cut 28 per cent from the NCC's budget. But hear this, the 1994 public accounts indicate that NCC's outstanding commitments for office space leasing will increase from $1 million to $4 million per year thereafter.

How can the minister explain this 300 per cent increase?

Ms. Albina Guarnieri (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Mr. Speaker, the hon. member knows that the National Capital Commission has an arm's length arrangement with the ministry and is responsible for the management of its funds.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, the taxpayers of the country have an arm's length relationship with their money too, and they want answers.

Our research shows that the NCC leases no office space other than the new NCC Chambers Building. I have a surprise for the House. José Perez was handed the contract to build and lease the Chambers Building with no tender. His competitors cried foul, to no avail.

Why does the government not order a public inquiry into the whole affair of Mr. Perez? What is to hide?

Ms. Albina Guarnieri (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Mr. Speaker, I will be happy to relay the hon. member's concerns to the minister. Since the question deals with a specific accusation, I would be happy to provide more details.

* * *

RAIL STRIKE

Mr. Tony Valeri (Lincoln, Lib.): Mr. Speaker, I have had many calls from small and medium size businesses that are absorbing additional costs because of the rail strike. Other constituents have called saying they will be laid off soon if the rail strike continues.

Can the Minister of Industry explain to the House and, in particular, to those Bloc members who are holding up this back to work legislation just what this strike is costing Canadian industry and what it is costing the business constituents in each and every one of our ridings?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I am pleased that the hon. member indicates an interest in this important question. Evidently some members do not understand

that as they delay passage of the back to work legislation they are affecting the jobs and the incomes of Canadians across the country.

• (1450)

According to the President of the Canadian Manufacturers Association, this strike is costing Canadians over $3 billion per week in lost profits and productivity. The jobs of Canadians are in the hands of members of the Bloc and members of the NDP. I would like to know where the premiers of the provinces of Quebec, Ontario, Saskatchewan and British Columbia are. Why are they not calling on the separatists and the NDP to get these people back to work?

* * *

[*Translation*]

ETHICS

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, yesterday, the Prime Minister said in the House that senior public servants working for or against political parties were not governed by the act which prohibits them from conducting such activities. Moreover, the Prime Minister claimed that the Supreme Court had invalidated the applicable legislative provision.

Can the President of the Treasury Board confirm that this provision in the Public Service Employment Act is still in effect, and can he tell us if the Treasury Board always applies the legislation in an unbiased way?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, the answer was given yesterday by the Prime Minister. I think that is the valid answer.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, the minister should have reminded us of that answer if he remembered it.

My supplementary is for the Deputy Prime Minister. How can the Deputy Prime Minister explain that the government's code of ethics makes no reference to the political activities in which senior public servants can engage?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I am not surprised to see the Bloc Quebecois fishing for other problems, since it is experiencing problems back home.

I might add that, to make a decision in that regard, we have not found it necessary to hire American lobbyists, as the Parti Quebecois is doing, to explain the referendum project.

Some hon. members: Oh, oh!

Ms. Copps: But I can tell you one thing, Mr. Speaker. I am convinced that the CNTU, among others, supports the right of public servants to give political opinions, in the same way that it is doing concerning the referendum.

* * *

[*English*]

GOVERNMENT OPERATIONS

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, my question is for the President of the Treasury Board.

The government's own Treasury Board manual requires that reports be tabled in the House of Commons annually on the status of contracting out. For two years now the government has failed to release this important information, even though even as far back as 1991–92 this involved over $10 billion in expenditures, $3 billion of which was without competitive process.

Why is the minister disobeying his own guidelines by withholding these reports for two years running?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, there is no withholding of any information. In fact the contracting out issue is under very careful scrutiny by the government operations committee at the moment.

A wealth of information is being provided and the member has full access to it as we attempt to address the whole question and review the appropriateness of the contracting out of government services.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, one of the reasons we need this information is to do a thorough job in the committee. We cannot do a thorough investigation without the annual reports.

Contracting out can be cost effective and a good way of performing government work. But without the proper supervision, taxpayers and government workers are doubting whether they are getting a good bang for their bucks so to speak.

Is the minister willing to release these rolling targets, as his manual says he should. Could he tell us what day we can expect to see those annual reports?

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, we will ensure that what information is available is provided to the hon. member and other members to help them scrutinize this matter in an appropriate fashion.

Let me tell the hon. member that the government has and will continue to ensure the efficient and effective use of taxpayers' dollars. We want to make sure that we are getting good value for the taxpayers' dollars.

• (1455)

FISHERIES

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, my question—

Some hon. members: Oh, oh.

The Speaker: Order. The hon. member for Winnipeg Transcona.

Mr. Blaikie: Mr. Speaker, I thought I was at an anti–tax rally for a minute.

My question is for the minister of fisheries. The minister needs a break and to turn his mind from turbot to pickerel for a minute. I would like to ask him a question about the future of the Freshwater Fish Marketing Corporation.

The minister will know that recommendations have been made by a committee that he struck in order to look into the future of the Freshwater Fish Marketing Corporation.

What is the intention of the government with respect to this crown corporation? Does he intend to privatize it or provincialize it? Is he going to try to meet the concerns of some native people and others who have had problems with the corporation within the existing framework, which is what I would recommend?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I want to thank the member for his question on pickerel. I know he did not want to talk about railways any more.

Some hon. members: Oh, oh.

Mr. Tobin: He was looking like a pickled pickerel.

Some hon. members: Oh, oh.

The Speaker: It is starting to sound a little bit fishy.

Some hon. members: Oh, oh.

Mr. Tobin: Mr. Speaker, I take your sanction. No more firing from the hip.

I want to respond to the member by telling him that we are examining the recommendation of the standing committee on fisheries. We are seeking to find a way to give the native communities concerned an opportunity to participate in the fresh fish market, perhaps without some of the current constraints that are in place under the FFMC.

At the same time, we are not going to move rapidly to privatize or dismantle FFMC. We want to hear from all of the fishermen who access its services and all the provinces that have a concern about its future.

We are going to move slowly. We are going to consult clearly and carefully. We are going to consult the member because we find that in due course he usually comes to the right conclusion.

* * *

RAIL STRIKE

Mr. Geoff Regan (Halifax West, Lib.): Mr. Speaker, my question is for the Minister for International Trade. Atlantic Canadians are worried about the impact of the rail strike in our economy. We are frustrated with the attempts of the Bloc and the NDP to delay an end to the rail strike.

Small manufacturers, employees and exporters in Halifax West want the trains moving again and now. Can the minister please make it crystal clear to the opposition what the cost is, what the impact of the strike is on our exporters and what it is costing our country?

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, Canada reported a record trade surplus in 1994. Again in the month of January there were record export sales. This underlines the importance to Canada of our export trade which is now being adversely affected. It is a vital Canadian interest being damaged by the prolonged rail strike. It is evident to every Canadian except possibly the members of the Bloc Quebecois and the NDP.

If we were to proceed to settle that strike, we could restore the full flow of Canadian exports, including those to the United States. Every working day some $200 million of Canadian exports to the United States are being adversely affected by this prolonged rail strike. We are determined to bring it to an end.

* * *

INDIAN AFFAIRS

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, my question is for the minister of Indian affairs. Ovide Mercredi and a select group of Indian chiefs in Alberta seem to know more about the minister's secret report on self–government than the House does or the Canadian people do.

Will the minister table this report in the House today?

• (1500)

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the hon. member was at the press conference and has presumably seen the write ups from yesterday. This is not a secret report nor a cabinet document. These are some discussion points that I have raised with aboriginal leaders across the country.

After I have had these discussions with the aboriginal leadership, as I undertook to do and as I will continue to do, and with the provincial ministers, I will return to cabinet. The hon.

member will then have a report as a cabinet document or a government document before the House.

* * *

[*Translation*]

OFFICIAL LANGUAGES

Mr. Paul Mercier (Blainville—Deux-Montagnes, BQ): Mr. Speaker, my question is directed to the Minister of Transport. The day before yesterday, in response to a question from the official opposition, the Minister of Transport said that he would check Air Canada's compliance with the Official Languages Act. The minister's record as far as his department's services in French are concerned is pretty shaky, since the air navigation system still does not to provide services in French throughout Quebec's air space.

Could the minister let us know the results of his enquiries with respect to Air Canada and could he give us the assurance that the future privatization of CN and the air navigation system will not be used as an excuse for lax implementation of the Official Languages Act?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, when another hon. member raised the question with respect to ads placed by Air Canada looking for qualified personnel, the ads clearly stated that bilingualism in one case was required, a third language was an advantage to anybody applying, especially for cabin crew. There is no doubt the application of the Official Languages Act is essential to the operation of Air Canada. It is part of its mandate.

I want to assure my hon. friend the obligation extends to being able to provide service in both official languages on the flights of Air Canada and we expect that will continue.

With respect to the second part of his question concerning the commercialization of the air navigation system and the commercialization of CN, we will undertake to ensure Canadians who speak both official languages will continue to be served in the language of their choice anywhere in the country.

* * *

PRESENCE IN THE GALLERY

The Speaker: I wish to draw the attention of the House to the presence in the gallery of His Excellency Roberto Gonzalez, Minister of Foreign Affairs of the Republic of Cuba.

Some hon. members: Hear, hear.

POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, it was brought to my attention by the Solicitor General that in my third answer to the leader of the third party I made reference to his absence from the House. It has been pointed out to me that was unparliamentary and I wish to withdraw the remark.

I would also like to ask the House leader for an apology because when I made the remark he said, for *Hansard*, the leader of the third party was lucky, that he had to sit here the whole time.

The Speaker: I hope I have a real point of order from the Minister of Industry.

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, while we are clarifying things said during question period, it has been brought to my attention by the member for Winnipeg Transcona that this morning while I was endeavouring to get information on the impact of the rail strike on Canadian industry it was not brought to my attention that the NDP had changed its position and is now prepared to let the legislation go through, for which I thank it. I apologize for my comment in that respect.

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I want to correct the record as well. Given what I just heard, the member does not look like a pickled pickerel.

* * *

• (1505)

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I would appreciate it if the leader of the government would let us know the business of the House for the next few days.

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I do not intend to make any comments about fish, budgets, the press or any of those matters. Instead, I will get right the point and provide the weekly business statement. Mind you, I have a lot of thoughts on those subjects, but I am keeping them to myself.

This afternoon the House will continue its consideration of an opposition motion and there will be votes on the motion and on the business of supply commencing at 5.15 p.m.

Tomorrow the House will resume debate on third reading of Bill C–73, the borrowing authority legislation.

On Saturday and if necessary on Sunday the House will deal with report stage and third reading of Bill C–77 to end the railway strike.

On Monday we will consider second reading of Bill C–72 regarding criminal intoxication, followed by report stage and third reading of Bill C–69, the redistribution bill.

We will resume this business on Tuesday and when it is complete we will resume debate of Bill C–68, the firearms bill. We will continue with Bill C–68 if necessary on Wednesday. On Thursday we will start debate on Bill C–76, the budget implementation bill.

GOVERNMENT ORDERS

[*Translation*]

SUPPLY

ALLOTTED DAY—DEPARTMENT OF NATIONAL DEFENCE

The House resumed consideration of the motion.

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, as I said earlier, the debate is on a motion, introduced by the third party, in which the Minister of National Defence is asked to extend the mandate of the commission of inquiry to cover all armed forces and not only the military unit in Somalia.

I would like to explain the situation and the position taken by the Bloc. For several months we have been asking the government to consider the importance of establishing a commission that would investigate the situation prevailing in the forces at this time. The government, however, has decided to establish a commission that will cover only part of what we see as the real problem.

This is a very serious matter, and Canadians and Quebecers have doubts about the credibility of those in charge of the Canadian Forces and whether they are doing their job, and they wonder whether all this could be improved. I worked in education for more than 21 years. In my riding, we had four cadet corps, two army and two navy, and I think the people who are involved in these projects do a good job.

• (1510)

Now, however, people are not so sure, but I think we should not blame the entire military. As I said before Question Period,

it is likely that only some of the people who make the decisions should perhaps change the way they do that. The Bloc Quebecois supports the motion of the hon. member for Saanich—Gulf Islands, and we think it would be useful for the government or the Department of National Defence to expand the scope of the study so that all this could be cleared up.

I think Canadians are now asking questions about the quality of Canada's defence. As you know, this year Canada has projected a deficit of $33.5 billion. On the Standing Committee on National Defence, the Bloc Quebecois suggested cuts that would trim the Defence budget to $10 billion, but the government refused.

The government is going to make cuts. It will cut $1.6 billion over three years, while we requested a cut of $4.8 billion over three years. Right now, the Government of Quebec is about to bring down its own budget. In that budget, ministers will each receive an envelope, and they will have to operate their departments with the funding provided in that envelope.

I think the Canadian government could have done the same thing. When we sat on the joint committee with the senators, we were told that Canada was going to buy submarines. Fortunately, this is no longer the case. This is not a time of expansion, but rather of reduction. This is a time of streamlining and of making what we have as effective as possible.

In the spring I had the honour and the opportunity to visit our forces in Bosnia–Hercegovina. We were able to visit Canadians stationed in Gorazde and another group in Visoko. We were able on site to see that the Canadian forces were doing a good job there. Now what people want is an investigation to see what could be improved. We are told that morale in the military is low at the moment. Therefore would this not be a good time for the government to set up a commission to look into all of this?

As I was saying, I am on the Standing Committee on National Defence. Since becoming a member, I have noticed that the committees—there are 22 of them—sit a lot during the week. What is the real role of the committees? Is it not time in Canada for us to review the role of our House committees? The committees sit several hours a week and simply make recommendations. Unlike in the American system, our committees prepare documents, and often these documents, after having been produced at great cost, are simply shelved and never heard of again. It is as if the committees were used to assess popular opinion and to find out what people were thinking. However, the people on these committees, whether in government or in opposition, work very hard. We have people from Canada and Quebec appearing before us to express their points of view. Very often, however, these committees have no real power unfortunately. The power lies in the hands of the ministers and cabinet. I think it would be a good idea, as we suggested in our committee, for committees to have more power so that the government and the opposition could together develop a coherent Canadian policy.

• (1515)

In the past 15 years in Quebec, military investment has been insufficient. There has been a shortfall in Quebec of $650 million a year. Quebec is not receiving its fair share. They say that 23.5 per cent of Canada's defence budget comes from Quebec. But only 17.4 per cent of the total budget for defence and defence research goes to Quebec. As a direct result of this budget, Quebec will lose 15,000 military and civilian jobs. And this will create a spin–off and an indirect job loss of 25,000, in addition to the 40,000 other jobs lost each year, a 40,000 job shortfall for the past 15 years. While Ontario gets 73 per cent of the defence research budget, Quebec must be happy with a meagre 12.4 per cent. That is unacceptable, 12.45 per cent of research spending for Quebec when 73 per cent goes to Ontario.

Only 15 per cent of all of Canada's military facilities are in Quebec. The closure of the Saint–Hubert base, which was announced in the last budget, will cause a loss of 600 jobs. Six hundred people are going to be out of work. The total number of casualties from the staffing cuts in Bagotville is 285 employees.

We cannot help but notice that, despite commissions, despite studies, despite committees which try to strike a balance, Quebec is getting less and less, and that is unacceptable.

Last year, the Government of Canada made probably the worst decision it will make during its four year mandate, and that was to close the Saint–Jean military college. And I must say that I have often encountered senior departmental officials who tell me in private and who will continue to tell me that it should not have been done. But they did it anyway. They closed the military college. I am telling you this not to reopen the debate, but to make the point that there are 13,000 bilingual positions in the armed forces, of which 7,000 are filled by unilingual anglophones. Of the 13,000 bilingual positions, only 6,000 are filled by Quebecers or others, and because we do not have enough bilingual members of the armed forces, the 7,000 other positions are filled by anglophones.

They talk about having a bilingual policy, but it is just a ploy. If they ever were really serious about it, they never would have closed the Saint–Jean military college because that was really where they trained bilingual members of the armed forces. We will see, but I do not think that Kingston will be able to fill this need.

• (1520)

I would also like to discuss defence conversion, because the budget makes no mention of it. There are more than 650 defence conversion businesses in Quebec, of all sizes. Quebec has lost 10,000 jobs since 1987 due to defence conversion. Between 1990 and 1994, 7,391 industry jobs were lost. It is unacceptable that a government which claims to be responsible, as this one does, has neglected to develop a policy on defence conversion.

The Bloc Quebecois will support the motion put forward by our hon. opposition colleague because it is consistent with the official opposition's repeated requests to broaden the mandate of the inquiry on the deployment of Canadian troops in Somalia.

Both the official opposition and the third party have asked questions many times, but we never received any answers. In our opinion, this commission should have been mandated to also look into all the other disturbing events not only in the disbanded Airborne Regiment but also on the base at Petawawa and everywhere else in the armed forces.

According to rumours, which are confirmed by videos and other evidence, some members of the military go around their bases displaying white supremacist flags and wearing Ku Klux Klan armbands. This is totally unacceptable. If ordinary soldiers behave in this way, it is because they are allowed to do so. Their behaviour is accepted and may even be encouraged.

I think it is important to find out if our military bases and what they teach our young people encourage racism, because if such is the case, it is unacceptable. That is why the Bloc will support my hon. colleague's motion.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Veterans Affairs, Lib.): Mr. Speaker, I would like to say that, to have a precise idea of how much the Department of National Defence spends in Quebec, you have to look at the facts carefully. It is obvious to me that my colleague opposite does not have all the facts.

It is true that defense expenditures will be cut in Quebec like in every other province over a period of four years, and not one year, as this was suggested.

At any rate, I would like to point out that defence spending in Quebec, including salaries, operations and maintenance, presently accounts for 22.2 per cent of overall defence spending and that, after four years of cuts, this percentage will only have been reduced to 21.5 per cent. This means that Quebec is being treated equitably.

As far as capital expenditures are concerned, Quebec always benefited from the larger share in Canada on account of its industry.

[*English*]

Mr. Leroux (Shefford): Mr. Speaker, I completely disagree with my colleague.

A recent study by a Quebec university says that for the last 15 years, Quebec's military budget is missing $650 million every year. I think no one in this House is refuting that. It is important to say that Quebec has never really received its share. All the documents we have received prove that.

The Liberal government had one chance to promote bilingualism in Canada and it did not do it. It decided to close the only francophone and bilingual school in Canada, which was Collège militaire royal de Saint–Jean. The Liberals decided to do that. I am sure that is the worst decision the government will take in the four years it will be in government, if it ever goes to four years. Who knows?

• (1525)

[*Translation*]

I would have appreciated that my colleagues opposite on the defence committee ask me questions on the importance, for example, of having committees of this House that are effective, committees with decision making authority. It is not the case, at present, in Ottawa. We have committees that sit, gather evidence, do all sorts of things, but when it comes to making any real decision, any major decision, it is then up to the ministers and the system. Ministers make decision and, often, all the work done in committee is ignored. It is a shame. I wish the government would take good note of that.

[*English*]

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, I listened with interest to the hon. member for Shefford. It is easy when you want to pick a target. It is like a child with a bowl of candy wanting to get the best one out.

The reality is for those of us in Ontario, particularly those in Toronto, there is no federal government presence in the city of Toronto. There are 24 federal headquarters in the city of Montreal. I have never heard the city of Toronto or the province of Ontario make a big claim about that imbalance.

The argument that because a college is in Ontario it is not bilingual, but if it is in Quebec it is bilingual does not wash. That supercilious sort of sham reasoning has been given the lie direct. They are working to have it work in Kingston. Further to that, a kind of insidious logic is taking place here. It has no place in the national assembly because it is being divisive.

We have had excellent and outstanding generals from the province of Quebec, some of the very best and the finest both during the war and after the war. Some of the the very best and the finest of soldiers are from the Royal 22nd Regiment, and from the artillery, from the 12e Régiment blindé du Canada, le régiment de Trois–Rivières, l'autre facilité. Il y aura moins d'argent pour la défense, but it is made up elsewhere year after year with those 24 headquarters, the CBC, et cetera, in Montreal. Nobody is asking that 12 of them be given to Toronto, Vancouver or elsewhere. That kind of argument does not carry.

[*Translation*]

Mr. Leroux (Shefford): Mr. Speaker, I will simply answer that, in the current system, if you are a francophone and you want to get on in the Canadian Forces, you have to become anglicized. You do not have a choice.

I will not mention by name the many generals I met who are francophones but, as far as I am concerned, have become anglicized because they had no other choice. If you look at the composition of the Canadian Forces, francophones can be found in numbers in the lower echelons, but there are fewer and fewer as you move towards the top. Take Canadian generals for example. Among the 136 general we have in Canada—by the way it is inadmissible to have enough generals to lead 250,000 men when all we have is a small army—there is only a handful of francophones. And these francophones had to be twice as good as their anglophone counterparts to make general. And that is unacceptable.

• (1530)

It is true that we have more francophone generals in the army. On the other hand, you will notice that there are very few francophones among the top brass in the air force and the navy, and that is a shame. Someone mentioned earlier that only in Quebec can bilingual schools be set up. That is not true. We can see what is going on in Kingston; it has received much media coverage recently and the press does report hard facts. Kingston is a city where it is difficult for francophones to live. It is so.

By contrast—I would like to point out to my colleagues who may not be aware of this—in Quebec, the minority, which accounts for approximately 20 per cent of the total population, has its own elementary and secondary school system, its owns hospitals, two major universities in Montreal, namely McGill University and Concordia University. This minority also has a university of its own in the Eastern Townships. There is no comparison between the way Quebec has traditionally treated its minorities and how the rest of Canada does.

The rest of Canada has a long way to go to catch up to Quebec's way of treating its minorities since the beginning of the Canadian Confederation. I think that the military college in Saint–Jean is important as a symbol and, as such, if we are serious about Canadian bilingualism, it should have been preserved. I think it should have remained open. It was decided to abolish it, to do away with it. I maintain that this may be the worst decision made by this government. It could make even worse ones; its mandate is not over yet. But this far, this is certainly the worst. And the worst of it all is that they know it. They know that this was a bad decision and they have to live with it.

[*English*]

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, it is my pleasure to join in the debate. The motion of the hon. member for Saanich—Gulf Islands contains a lot of credible and worthwhile information.

Two days ago the minister tabled an inquiry on the deployment of Canadian forces in Somalia that had broad terms of reference including many of the valid and strong concerns the hon. member for Saanich—Gulf Islands has put forward. The terms of reference will allow the inquiry to go beyond what happened in the Somalia incident and what took place in the armed forces before and after the incident. It will go from the highest to lowest levels in its questioning. I hope the inquiry will exploit to the fullest its commission and will incorporate some of the concerns voiced by the hon. member.

At times when the armed forces go through very wrenching changes in life, changes in direction and changes in purpose, the cement that keeps them focused is no longer present.

At one time the newspapers were full of the cold war. The threat was present. It was real. It was easy to motivate, to stimulate and to activate personnel in the forces. The reality today is that with the disintegration of the Berlin wall, within the partners for peace and throughout the world there is not the tension that bonds, motivates and focuses the armed forces.

• (1535)

One thing that causes that is the professionalism of senior leaders, officers and non–commissioned officers who serve their country through the armed forces of Canada. In my opinion there tend to be weaknesses when there is no stress to hold it together. The weaknesses become magnified because the press has time to focus on incidents. As a consequence they are sometimes overmagnified.

We have the responsibility to execute and examine errors when they occur or flaws when they are found. The commission has the right, the full support of Parliament and the ability under the Inquiries Act to go beyond the defence act. It has the right to bring in witnesses from outside government and outside the Department of National Defence. It has the right to bring in civilian witnesses as well. That is what we have within the commission tabled by the minister in the House two days ago.

The constant moving of families and postings that come about with a small army, navy and air force put pressure on families that we do not see in civilian life, except maybe at one time when the banks had frequent postings. They have been reduced considerably for a number of reasons, mainly costs. It puts pressure on families. It puts pressure on children when they move from school to school. It puts pressure on wives when they are at home a long time and their husbands are away on peacekeeping missions or at sea on manoeuvres. It is one stress that is not found in a civilian occupation.

The stress was focused when the threat was meaningful and ever present. People will often question why something is being done and the stress is put on the family. As a consequence it is difficult to maintain morale under those conditions.

The lack of threat sometimes makes it difficult for governments to maintain levels of spending. Therefore governments turn to the armed forces and begin to cut, reasonably so because the hackneyed phrase, the peace dividend, is there. Past and present governments have been pushing back funds for defence, again putting stress on the forces in terms of concerns about job security, their future progress in the forces, et cetera.

Under stressful situations people begin to look at the weaknesses in the system and speak out about them. The flaws become magnified. The press picks up on it because it is the only news in town. Then it becomes overmagnified. Those who are disenchanted and slipping information out in brown envelopes are those who are under stress or disenchanted. This is how the leaks take place.

We have in this minister a minister who has exercised executive quickness and has reacted with a great sense of urgency and fairness. He has looked for and sought advice. When he received the information and made his assessment he made quick decisions in the best interest of the government and the people of Canada. I cannot think of a minister in the last 25 years who has had more things tumble down on his portfolio than this minister has had over the last 15 months. He has continued to show fair–mindedness and good sense in his judgments on behalf of the Canadian people and in his decisions on behalf of the Department of National Defence.

• (1540)

The minister saw that it was necessary to come clean and have a full and thorough investigation through the commission he established, based originally on the selection of the airborne regiment to go to Somalia, its actions in Somalia, and the actions thereafter. He is now free to let the commission loose with a broad ranging mandate to seek answers to those and other questions incorporated in the motion of the hon. member for Saanich—Gulf Islands.

A broad ranging mandate has been given to the commission to investigate the matter although its real purpose is to investigate the airborne regiment in its preparedness, its selection and its actions in Somalia, the actions thereafter, the actions at National Defence Headquarters, the actions of politicians and all things that go into training, morale building and genuine good leadership within the forces.

The government tabled a report on defence in the House entitled "Security in the Changing World" which called for a number of things. We would like to see one of them, an annual debate in Parliament in both the Senate and the House of Commons on defence. It would provide an opportunity to put forward thoughts on defence. It would be important for it to be held as quickly as possible after the defence estimates were tabled so that it would be relevant, current and not at arm's length or distanced from the realities of the budget at hand.

The report also requested that there be an ongoing standing committee to review matters directly involving national defence issues and that the committee report back to the House. As I have said, the recommendations were clear. The annual defence review and assessment would be one mandate that could be given to the standing committee on defence, making it meaningful and giving it purpose.

The report indicated that there was a role for the standing committee to investigate and oversee the defence budget and major procurement by the government dealing with defence capital expenditures. The committee would be able to bring forward expert witnesses. It could call upon the Auditor General. It could call upon other learned persons within government ranks for their expertise. Then the committee could report to Parliament in a meaningful and forceful manner about its findings.

I am very pleased to have joined in the debate today. The hon. member for Saanich—Gulf Islands made some very valid points.

• (1545)

Many of the points he wishes to see covered could be tumbled into the commission that has been established by the Minister of National Defence and picked up and reviewed as part of that mandate.

The minister has been most energetic, forthright and insightful in terms of the judgment he brings to the House. On behalf of all Canadians he has worked on behalf of the armed forces.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, I listened very carefully to the member for Perth—Wellington—Waterloo. I agree with many of his comments. I am concerned with the repeated suggestion in the House today from the government that the inquiry is broadly based.

Mr. Speaker, if I may I would like to quote from the committee directive:

> —to inquire into and report on the chain of command system, leadership within the chain of command, discipline, operations, actions and decisions of the Canadian forces and the actions and decisions of the Department of National Defence in respect to the Canadian forces deployment to Somalia and without restricting the generality of the foregoing, the following matters related to the pre–deployment, in theatre and post–deployment phases of the Somalia deployment.

Unquestionably I agree that fallout from the report will extend far beyond the Somalia commitment. I do believe that the Somalia investigation will concentrate primarily on that and will not expand its base to encompass the things I would like to see and which the motion we have made goes to.

The problem I see is that I am not sure the Minister of National Defence really appreciates he has problem. That is my concern. The member mentioned the minister has been very good at seeking advice. He has not sought advice from our party on our commitment to Bosnia nor to Croatia. He has not sought advice about committing 474 members of the Canadian forces to Haiti. I suspect that he has not approached the members of the official opposition either. Is this the way the minister consults, gets input and appreciates the situation? I do not think so.

We are sitting right now with eight days to go before the end of our current mandate in Bosnia–Croatia. The minister has not consulted us about this. Are we going to extend or not? We are told they do not know yet. Surely this cannot be the case. If it is, it is a dismal failure on the part of the government.

Does the member think the minister of defence has really consulted adequately? Does he think the minister has taken every opportunity to allow parliamentarians to have input into commitments which put the lives of our forces at risk?

Mr. Richardson: Mr. Speaker, it is a question of whether the glass is half full or half empty. The government made a commitment that before it would commit Canadian forces in a foreign country and under the auspices of the United Nations the House of Commons would be consulted. It was consulted. We had debates and on that. That is a step forward and it could be expanded.

When we commit our soldiers, our sailors and our air men offshore in harms way, that kind of debate should be public and in the House.

I do believe consultation can be improved. I also believe the minister is genuinely concerned about receiving that type of contact. I do not think he has been able to get off his bicycle since the day he sat in the chair and he has been pumping hard ever since.

• (1550)

I cannot remember when such a tumultuous number of serious issues has down in such rapid action as has happened while during his tour. He has handled them well. I am proud of him.

If the hon. member seeks more consultation I am certainly one in favour of seeing more consultation and I am sure he is. The private member's bill which was drawn up before he brought in

his bill is not uncomplementary because of the nature and broadness of this bill.

In my discussions with the House leader he said this bill for a commission inquiry is in the broadest sense the House can give a commission. It can do more. It can call on anyone. It was given the broadest sense of opportunity to interrogate and call witnesses under this broad terms of reference. We can always improve on advice from all sides.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, I appreciate the comments of the member. For the most part they were a rational analysis of our military commitments and responsibilities.

I would like to get his opinion on one other subject. In the next couple of weeks or so a peacekeeping act I hope to introduce as private member's legislation will be asking the government to make some decisions on how we can commit peacekeeping troops overseas.

The thrust of my argument in the bill I will introduce asks that the government before we commit troops ask for authorization for the specific mission of the peacekeeping service; to specify the objectives, duties and role of the mission; to define the state or area in which the mission is to operate; specify the date on which that authority is to expire; specify the maximum planned expenditure for the mission. It is to do all this before we commit troops, especially overseas into some very dangerous venues.

Does the member think we should debate these subjects and those kinds of details before we commit the troops? Sometimes it becomes cynical when the debate takes place after the commitment has already been made.

Should we debate those kinds of issues or at least debate them before a commitment or after the minister has already made the decision?

Mr. Richardson: Mr. Speaker, it would be a sham if we debated after they were committed. It is then just an information giving session.

I do not think that is the intention of the government. The government is committed to having a debate in the House before committing troops, as the hon. member has suggested.

We are looking very carefully at costs. In some of those situations, for example in the former Yugoslavia at the moment, the UN underwrites a considerable amount of the cost and in others there is hardly any underwriting. It is only fair since it is the public's purse that these things be discussed.

The minister is prepared to do that. It is all part of what has been happening, to get this going so there is more transparency and more input. I cannot fault the minister. He has made the point and he will continue to make the point that he will listen to that. The hon. member's point is well taken.

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I want to compliment my hon. colleague from Perth—Wellington—Waterloo for an excellent explanation of aspects of this subject which I am sure all members of the House found illuminating.

I still have difficulty understanding why members of the third party are so insistent on broadening terms. We have now in our possession and under way the broadest investigation and inquiry in the public inquiries act which has been conducted in the Canadian forces, if not in my lifetime certainly in 50 years. What more can they ask? They have said morale is an issue. They gave the reasons for the issue. They talked about the excellent leadership.

• (1555)

Any critic in any organization is expected to criticize. That is the job of the opposition. I find it interesting that a critic would make a comment that a minister may have problems that he is not aware of when that a minister is with his department 24 hours a day. This minister has shown his acumen, his preparedness to act and the tremendous ability he has in controlling his department, notwithstanding the difficulties which have occurred since he has been minister. That point was made very well by my colleague from Perth—Wellington—Waterloo.

How the opposition could say the minister may have problems that he is not aware of when it relies on brown envelopes from the media and the odd telephone call is difficult for me to understand.

Mr. Richardson: Mr. Speaker, I have no more to say. I am not going to fill the Chamber with hot air. I did welcome the questions from the hon. member on peacekeeping and I thank the House very much for the opportunity to participate in the debate.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, I am pleased to have the opportunity to raise defence issues which are vitally important to our national security.

The issue which affects me personally is the closure of CFB Chilliwack. The closure is symptomatic of a greater problem within the military, that of the subordination of military interests to political concerns. Our military is becoming a blunt political tool rather than a sharply honed fighting and peacekeeping force that follows the dictates of strategic efficiency and combat readiness.

The morale of the armed forces is being sapped by obvious problems such as the burden of top heaviness where the top man in the military collects $140,000 a year while the privates are applying for welfare. The gap between the general and the front line soldier is enormous. It speaks to me of diminishing accountability and slackening military ideals.

We have a problem with our peacekeeping forces where political decisions replace military ones. Soldiers are put into dangerous places for undefined periods where they are sometimes, and have been recently, humiliated, held hostage and left to deal with inadequate equipment so Canada's politicians can save face on the international stage.

I have offered a rational solution to this problem in my peacekeeping bill, which may soon be debated in the House. It would help Parliament decide the parameters of peacekeeping missions by requiring that members deliberate strategic military considerations before plunging into these war torn areas.

There are so many problems in our military. No wonder a nine–page memo from Brigadier General Jeffries surfaced last week talking about the deterioration of the armed forces. Soldiers are frustrated. Allow me to quote from it:

> My commanding officers are unanimous in reporting widespread dissatisfaction at virtually all rank levels. The bottom line appears to be a rapidly developing crisis in confidence in the ability of the chain of command to do its job.

The problem is leadership:

> There is widespread belief that political agendas and careerism have replaced leadership in the defence hierarchy. The loyalty and focus of senior military leaders is directed upwards and not down, and that political expediency has led to a reactive rather than a proactive posture.

Can we think of a possible reason the loyalty of senior generals appears to be shifting toward careers and politics? Could it have something to do with the salaries, the office renovations, the houses, the perks, the golf vacations in Florida?

Another example of political interference was the disbanding of the first airborne regiment. Because of some objectionable hazing rituals and some racists in the military an entire regiment was disbanded. I am the first to agree that the problems should have been rooted out. Instead, the minister shut down the whole regiment. The action was publicly opposed by the chief of defence staff. Did he resign when the minister refused his advice? He sat, tight lipped and accepted the humiliation of an entire regiment; a regiment which had an illustrious history. It was disgraced by politicians because of the actions of a few.

A new regiment will have to be created, probably at the cost of millions of dollars, probably with most of the same personnel. The decision to disband the first airborne was driven not by political efficiency but by the dictates of political correctness. This appears to be okay with the minister and the generals.

• (1600)

Another political decision has been taken by the minister and that is the decision to close CFB Chilliwack. I have publicly objected to this decision, knowing that I would be criticized for taking this not in my own backyard attitude. I want the public to know that I have never opposed cutbacks. CFB Chilliwack could be significantly scaled down without any protest from me. I maintain that to close the base entirely is a strategic and military error. It will reduce the capacity of our nation to respond to various situations. Allow me to explain.

There is no other base in Canada in which the military can train all year around. The topography is perfectly suited to the varied training requirements of engineers as well as combat troops. Part of the base is now moving to Gagetown, New Brunswick. The military considered this option in 1956 but considered it would be too costly and that Gagetown was simply too cold in the winter for these activities that the engineers are engaged in.

We have 105,000 acres of training range at CFB Chilliwack. In Edmonton, where much of the base will be moving, there are no ranges at all. The closest range is at Wainright, 150 miles away, where troops and equipment will have to be regularly transported at great cost. The logic of this escapes me.

CFB Chilliwack boasts 487 buildings worth $517 million, with $40 million spent on upgrading over the last five years alone. The minister hopes to save $300 million over the next five years by the closure, but he has admitted that it will cost almost that much to enlarge the base at Edmonton. I do not see where the savings or the logic is in that.

CFB Chilliwack has not opened all the new buildings yet. It is preparing to open a brand new $10 million training centre in July, while at the same time other bases in Canada are spending tens of millions of dollars to upgrade training facilities at others. Obviously defence dollars are not being wisely spent when we are still putting the paint on the walls in some buildings and yet we are going to build others as well.

I have other concerns. CFB Chilliwack is situated 60 miles from a population of three million people, sitting on a high risk earthquake zone. In the case of an earthquake, troops and equipment would have to be flown in from Edmonton, but to what airport? The area could well be inaccessible by air, so they say.

A California company, Risk Management Solutions, has studied the seismisity of the Vancouver area and says the probability of an earthquake there with a magnitude of 7.0 or greater is 48 per cent within the next 30 years. This is only slightly less than the risk in Los Angeles and San Francisco. It would be devastating. An extraordinary response would be required, but the loss of the base would be one less resource to draw on.

The emergency preparedness people in Vancouver are concerned about the base closing because of the engineering capacity there and also because of the stockpile of medical supplies. There are six 200–bed mobile hospitals housed there, which would be vital in the event of an earthquake or other civil

disorder, as well as other medical supplies. Vancouver would have to go cap in hand to the Americans if the base closed.

We have a national defence force with installations in every province. In B.C. we have developed a versatile base with excellent facilities built over a 50–year period and located near a major city and port. Now Canada's fastest growing province will no longer enjoy any land force presence west of the Rockies. This is an important issue of strategic concern to the former base commanders I have consulted.

The military takes 50 years to develop a base and politicians can throw it away in one term of political office. What if a military problem should arise that requires the defence of our western seaboard? Will the government then re–purchase new land at astronomical expense in the same area to re–establish a new base? It does not make sense when the installations are all in place.

It appears that strategic important considerations are not in parallel. Maybe there are other reasons. Perhaps the government says B.C. is a wealthy province and it will not feel the effects too much. I would counter that B.C., by proportion, already receives $700 million a year less in defence spending than it should. Closure will only heighten that regional disparity.

A cynical politician might say if we want to close down a base why not close it down in an area where we have nothing to lose? The Reform Party did well in the last election in B.C., so let's hit them hard because we will suffer no political consequences. If that was true it would be sad. Yet the government seems reluctant to answer the questions which would put these rumours to rest.

• (1605)

On March 2, I wrote a detailed letter to the minister asking him to respond to the concerns of British Columbians about cost efficiency, emergency preparedness and military reasoning. It is telling that the past five base commanders from CFB Chilliwack have also raised their concerned voices from a military side. They remain unconvinced, and have written letters to the minister, that it is in the best interests of the military to close CFB Chilliwack and leave British Columbia without a land force presence.

It is clear that the decision to close CFB Chilliwack was one in which politics outweighed strategic military considerations. As a result, the capacity of Canada's armed forces to defend our country and assist in situations of emergency will be significantly reduced.

The minister is coming to visit our base on April 3 and I will be there to greet him. It is an honourable thing for him to come to the base at this time and explain to the military personnel and the people of B.C. why he feels the base should be closed down.

I hope the minister also brings with him the top decision makers in the military so they can perhaps inspect the facilities at CFB Chilliwack, and even at this late hour, consider other money saving and military options that would meet the concerns of the civilian and military personnel that have contacted me and meet the minister's own criteria for coming in under budget. If he can do that, then the Canadian forces personnel, especially those affected by the closure, will begin to be satisfied that they are not being manipulated. That is another reason why the minister should come post haste, make the explanations and listen again to the concerns of the people of CFB Chilliwack.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I welcome the opportunity this afternoon to speak about defence department policy and priority.

I have risen in the House before to talk about defence department household moves. Somewhere with the bowels of the defence department there are some 200 military men and women who are performing a function that has absolutely nothing to do with their training. They are not peacekeepers, not ace pilots or tank mechanics. They are not sophisticated radar specialists. These fine men and women are immersed in the management details of packing dishes, moving couches and not scratching the coffee tables.

Is this what Canadians want their military to be doing? Is this a function the government should be handling because the private sector cannot or will not handle without government handouts? The answer is no. The private sector has been crying out to get a crack at managing the household moves of Canada's military.

Newspaper reporters have written about the horrendous waste of taxpayers' money. At least $10 million occurs because these military men and women are not much good at managing household moves. Television crews have documented the gross inefficiencies and ridiculous regulations that hamper the smooth move from one home to another. Even the government's own Competition Bureau has warned against the dubious tendering practices which could cause the major van lines to breach their 1983 prohibition order against collusion.

It is not that no one has heeded all these cries. The last government finally got its act together and disbanded the interdepartmental committee responsible for all this waste. It timidly agreed to try a pilot project to see whether the private sector could, in fact, manage household moves better than this decorated bunch of brass.

The interdepartmental committee for household goods removal services to which I am referring, the IDC, has representatives from the RCMP, public works, government services and defence. Together they preside over all government funded moves.

Did this project ever get off the ground? Did the private sector have a chance to prove it can move the military pots and pans cheaper and in a more timely fashion than a group of war heroes? The answer is no. When the government changed hands these heroes did an end run and somehow convinced the minister of defence that it had been beyond the previous government's competence to approve the project.

The United States military has announced that it is turning its moves of over 200,000 households per year over to the private sector. Why is it that Canada, with 20,000 military household moves, cannot do the same?

• (1610)

The time is more than right. The finance minister has stated that the government should only do what government does best. The private sector has already shown that it was good enough to move the MPs when the government changed hands a year and a half ago. Savings of at least 20 per cent to 30 per cent can be achieved for the military as well. Does it really cost three–quarters of a million dollars to move military family pets? That is the number. The last time I checked it cost $50 to fly a cat from Halifax to Vancouver. How are we running up these horrendous costs?

Here is another item. Does interim lodging and meals really need to cost $28 million? When the private sector manages a move it asks its clients being moved what day is convenient to load and what day is convenient to deliver. That is the criteria used when a private moving company is phoned.

Anyone who has taken the morning off from work to wait for a delivery or a repairman knows how frustrating and costly inexact timetables are. If we know our household effects are being delivered on Tuesday we do not need a two–week vacation at the Hilton to accommodate it. On the other hand, if we are told that packing will occur sometime during the first week of June and delivery will happen sometime in the third week, as happens with defence department moves, then maybe it makes sense to plan a nice taxpayer subsidized vacation around a vaguely timed disappearance of our television set and slippers. It is a practice we simply cannot condone.

These inefficiencies end up costing all of us more. Government is by far the largest household mover client. Government makes up to 30 per cent to 35 per cent of all of the household moves in Canada per year. When poor management permeates that large a portion of an industry, the effects pervade the entire industry.

I call on the government to finally end this practice and to stand up to this little empire of colonels. When the Minister of National Defence is deciding where to make cuts in his department he should start with the IDC. I would not be at all surprised if he is fed up with that little bunch over there anyway.

The minister should then move to privatize the management of all military and all other government household moves. Consulting and Audit Canada, along with the Competitions Bureau and Public Works and Government Services should be asked to prepare a tender according to treasury board guidelines.

By acting this way, the minister will be doing the taxpayer and himself a big favour. He will be stating forcefully that no longer will move management operate outside the normal parameters of government. No longer will move managers thumb their noses at elected officials and no longer will move managers be accountable to no one.

The taxpayer will save between $10 million and $25 million. The Reform Party will support the government for a wise and excellent decision. As a matter of fact, even a lot of Liberals will applaud this long overdue move. At a time when we cannot even afford decent peacekeeping equipment for our peacekeepers, it is appalling that we are wasting taxpayers' money in this fashion.

Our peacekeepers in Bosnia could have used better land vehicles. It is also well known that our *Sea King* helicopters and our submarines are in desperate need of replacement. We know this will not provide too many, but it is an example of government waste that has to be cleaned up.

I call on the government to act now and quickly to privatize the household moves that the IDC is currently conducting.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I thank the hon. member for his brilliant speech. He raises a point which I noticed on a number of occasions. I live in the riding of Chambly which, as you know, is adjacent to the riding of Saint–Hubert, where the base of the same name is located, and where, each spring, some 75 to 100 members of the armed forces would be transferred from the base to another location, and vice versa.

There is one aspect of the costs which the member did not mention, but I essentially agree with his comments. In a given year, some 20 colonels and majors posted to Saint–Hubert would buy houses in Saint–Bruno, which is in the riding of Chambly, and borrow perhaps $100,000 from some bank for that purpose.

• (1615)

The following year, these same people would be transferred elsewhere in Canada. It would cost them some $5,000 in penalty to liquidate their mortgage. They also had to pay $3,000, $4,000, $5,000 and sometimes even $8,000 or $10,000 in commission, depending on the value of their house, to sell that house. Since these people would often not manage to sell their house, the

government relocation services would take the house back and support it for quite a while.

These people would then relocate in another Canadian city. I know that, in Ontario, members of the armed forces currently enjoy mutation rights on property transfers, for amounts of $1,000, $1,200 or $1,500 spent by the government as refunds. All these benefits were in addition to those related to the move and which the hon. member who spoke before me just mentioned.

Consequently, the transfer of military personnel from Saint–Hubert to Petawawa, and vice versa, involved huge amounts of money.

I would probably be stunned to hear the actual cost of this musical chair exercise within the armed forces. However, I will admit that this was not necessarily a bad thing for those who benefitted from it, including myself as a lawyer. Still, we could not help but wonder how a country that claims to be orderly and one of the best as a member of the G7 group—at least this is what we are told by the Prime Minister and the Minister of Finance—could manage in such a way.

I want to ask the hon. member if he had an opportunity to look at this aspect of military transfers in Canada.

[*English*]

Mr. Penson: Mr. Speaker, I thank my colleague for that excellent question. What it does is it raises a concern. It is another area I was not aware of. I think it is symptomatic of the serious problems that exist at DND. If the hon. member's example of these household moves with the transfers and the cost of mortgages is symptomatic of what goes on in the defence department, we have bigger problems than this $10 million to $25 million.

This is a time when we cannot afford these kinds of excesses any more. Even if money were to be had, it could be better allocated in areas such as in peacekeeping to give our peacekeepers better equipment. We simply have to cut out this kind of waste. I do know whether we could ever afford it, but we certainly cannot afford it now. The Canadian public does not have patience with this any longer. It needs to be cleaned up.

Mr. Andrew Telegdi (Waterloo, Lib.): Mr. Speaker, I listened intently to the member for Peace River.

I have worked in this area almost from the first day I arrived at the House of Commons. One of the things I am getting used to is that change seems to be slow. Everything the hon. member has said is borne out by my experience.

I am gratified and encouraged there is a review of the process going on at the political level. As the member knows, four van lines used to handle all the moves. It was pretty much restricted to a monopoly of those four van lines. Now that process is being opened up and two additional companies will be involved. In terms of the management of household moves, I believe the department is looking at that now.

It was not too long ago that we had the case of a number of generals going south on a golf junket. The trip was cancelled by the Minister of National Defence.

Both the member for Peace River and the member from the Bloc have raised the point, which has unanimous agreement in the House, that waste is something which has to be eliminated. It has to be the job of all members of Parliament and not just the government. I commend the member for Peace River for his interest in that matter.

This is an issue I have been working very hard on. I think changes will be coming. I wish to thank the hon. member for his interest and help in the matter.

• (1620)

Mr. Penson: Mr. Speaker, I thank my hon. colleague from Waterloo. I know he has a keen interest in this area which actually precedes my interest. We have been working together to try to stop the kind of waste that has been going on.

However, it has been a year. I have asked the minister of defence three or four questions over the last year. If change is coming, I certainly welcome it. I would like to remind the minister of defence and the parliamentary secretary that this is a perfect example of where we can save some money with no cost in service. The service can be handled quite well by the independent companies. I believe we should see a change here shortly and I certainly welcome that.

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, I welcome the opportunity to participate in this debate today. I congratulate my hon. colleague for Saanich—Gulf Islands for bringing forward this motion. Although I do not support the motion, I thank him for bringing it forward. We have heard a lot of debate here on the floor of the House today which I believe is healthy. It is what parliamentarians have to do in order to get our points of view across to the government so it can see what parliamentarians are thinking, especially on behalf of their constituents.

Canadians are proud of our armed forces and of the work these forces have done both at home and around the world. I believe that most people agree with this point of view.

Canada was instrumental in the creation of NATO in 1949 and maintained stationed forces in Europe for over 40 years. Our contribution to alliance security was highly valued. Even among the collection of first rate militaries, Canadian personnel are among the very best.

Today we no longer station forces in Europe, but our role in the alliance remains a very active one. Canada continues to

maintain a full slate of NATO commitments and we are at the forefront of working for change within the alliance.

We see the alliance as a valuable form of insurance, both in terms of providing for the defence of its member states and in terms of giving the North Atlantic communities a way to reach out to their former adversaries in their quest for security in the new Europe. Our personnel, respected for their professionalism and good sense, are playing an active role in this process as well.

NATO does not represent the only venue in which Canadians are working for peace and security. Of course, the most visible contribution our personnel are making to European security today is through the United Nations. I am referring to, as has been referred to many times today, the leading role we have played and continue to play in the United Nations Protection Force in the former Yugoslavia.

Canadian personnel are no strangers to UN operations. Since 1949 we have contributed thousands of personnel in support of the United Nations. They have served in roles as diverse as monitoring ceasefires on the Indo–Pakistani border to reversing aggression in Korea and in the gulf.

There are currently over 3,000 Canadian personnel deployed in peacekeeping and related missions. However, it is not only the scale but the nature of involvement that is changing. In the past our participation was limited predominantly to the type of operation undertaken in Cyprus or the Middle East entailing the positioning of the impartial forces between the parties to a ceasefire as these parties conducted negotiations toward a political settlement.

Today the operations are more ambitious and the range of military activity is much wider and potentially more risky. As part of missions which are designed to restore order between and sometimes within states, our personnel have been asked to enforce economic sanctions or arms embargoes, create secure conditions for the delivery of aid, deny the use of airspace through which hostile forces could prosecute military campaigns or attack civilian populations in so–called no fly zones, and to protect civilian populations and refugees in safe areas.

• (1625)

As these operations have evolved, there have been mistakes along the way. Unfortunately we must expect that there probably will be more. Nevertheless, the alternatives to doing the difficult and dangerous work for peace and stability are unacceptable. The result would be a violent, lawless and chaotic world which would be inimical to Canadian values and interests. The international community, Canada included, may be on a learning curve, but there really is no alternative to putting our best foot forward come what may.

It is in this light that the experience of the Canadian forces in Somalia ought to be seen. No one regards the tragic events of two years ago with anything other than the utmost concern. I would like to take a few minutes to review the history of the Somalia operation and Canada's participation in it and to remind the House and Canadians that there were aspects of that operation, which have been mentioned here before today, which were not only well–motivated but quite successful.

For most Canadians, prior to our involvement with the UN effort, Somalia was merely a faraway country perennially in the grips of civil war, famine, or both. All of that changed in December 1992.

The United Nations finally moved to act on a scale much larger than had previously been planned. It authorized a united task force, UNITAF, to restore order and ensure the delivery of humanitarian aid in Somalia. The Canadian component of a much smaller UN operation in Somalia, the Canadian airborne regiment, was augmented and integrated into this larger effort as the Canadian airborne regiment battle group.

The entire Canadian contribution to UNITAF, which included air and maritime support, including the support ship HMCS *Preserver*, was known as the Canadian joint force group and began to deploy to Somalia on December 14, 1992. The Canadian contingent was given a large humanitarian relief sector in the northern region of the country.

The operating conditions could only be described as extreme: temperatures of over 40 degrees, the constant threat of disease, very little infrastructure, and the constant challenge of operating in an environment where our personnel encountered hostility from the very people they were trying to help. Nevertheless, the Canadian contingent quickly secured its area of responsibility and turned its attention to the humanitarian aspects of the operation.

The efforts of our personnel in this regard were truly remarkable as they helped to deliver aid, assist medical teams and hospitals, rebuild infrastructure; repair and reopen schools, and train the local population, including children, to recognize land mines. Unfortunately, much of this excellent work, truly path breaking work in the realm of UN operations, risks going unnoticed in the light of the criminal activities of a few.

Upon the discovery of the torture and death of a Somali youth at the hands of a small group of Canadian forces personnel, the Canadian forces convened a series of courts martial. These trials have resulted in the courts martial of nine soldiers.

The completion of the courts martial paves the way for a comprehensive civilian inquiry into the entire Somalia affair. The government has decided to conduct the inquiry under the terms of the inquiries act. The advantage of this approach is that

the Inquiries Act allows the commission to compel the production of evidence and the attendance of witnesses.

The government has named three prominent Canadians of different backgrounds and skills to conduct the inquiry. The commission has the authority to investigate and report on a wide range of issues surrounding the Somalia operation, including the chain of command, leadership and discipline. The terms of reference cover three periods of the operation.

The first is predeployment. Here the commission can examine such issues as the state of discipline within the airborne regiment, its suitability for the Somalia operation and the adequacy of the screening and selection process for the Somalia deployment.

The second is the period spent in theatre. In examining this phase of the operation the commissioners will probe such issues as the missions and tasks of the Canadian joint task force, the treatment of detainees and the allegations of a cover–up and the destruction of evidence.

• (1630)

On post deployment, in examining this final phase of the operation the commissioners will investigate the manner in which authorities within the Department of National Defence and the chain of command of the Canadian forces responded to the full range of problems encountered in the Somalia deployment. The commission is expected to report in December and make recommendations to the government. More important, it will finally lay to rest a difficult chapter in the otherwise proud history of the Canadian military.

The government is committed to moving expeditiously to get to the bottom of the Somalia affair. Whatever we may learn as part of the commission's proceedings should not obscure the value of the Canadian forces or the confidence the government has in their ability to carry out their roles.

The Canadian forces are known worldwide for their professionalism and effectiveness. We all know they are in great demand all over the world. They are in demand for UN missions in NATO and working with their American counterparts in the contacts they forge with other countries.

More important, the unique aspects of the military vocation aside, they are recognized to all of us as Canadians. They reflect our values, our history and our culture. They are not only a unique institution, they are a unique Canadian institution.

They will continue to enjoy the confidence and the support of Canadians as they continue to protect our values and interests both at home and abroad.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, the hon. member for Hillsborough did not exactly deal with the scope of the inquiry.

With regard to the motion we have put forward today concerning the Somalia inquiry from top to bottom and complete coverage of that issue, does he consider that adequate to examine the inherent problems present in the Canadian Armed Forces today?

Mr. Proud: Mr. Speaker, I thank my colleague for Saanich—Gulf Islands for the question.

The inquiry as set forth will do an adequate job on the Somalia operation and on other aspects of the military.

I hear questions from across the way at different times asking for these independent inquiries. This inquiry is necessary and will lay to rest the questions of Somalia. It will lay to rest a lot of other questions out there.

I will not rest until I see the day when this type of investigation will be done from within this organization right here. It is my goal as a parliamentarian to see standing committees and other committees doing the work of these special commissions. When that day arrives I will have contributed my part to the parliamentary and democratic process.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I appreciate the opportunity to say a few words in this interesting debate.

If we are not careful we will end up with a military that we deserve. Perhaps our motto should be talk loudly and carry a small stick. That is really what we have done with our military over the years. We have said to them: "This is your new job, your new mandate. We would like you to do this and if you do not mind, would you do that. At the same time it might be helpful if you did it with a little less".

• (1635)

It is not like dealing with the CBC. It is not as if it is not going to be able to show this program or that program. We are asking our military to put itself into the face of danger and very difficult situations. We are changing the mandate almost every time we get a change in government. We are saying do more but make do with less.

Surely we should start to consider what the long range objectives of our armed forces should be.

I am reminded of a quote by Peter Worthington a few years ago which I believe is quite accurate. He said the military in Canada has always been much more loyal to Canada than Canadians have been to the military. It is quite a profound statement because if we expect our military to be loyal to Canadian parliamentary tradition and to the kinds of objectives that we as civilians would have, we as civilians must have some loyalty reciprocated to the military.

I will bring a few thoughts to this debate little different than many of the comments so far. I would like to put it into a personal perspective. The military has given an awful lot of

young Canadians a start in life, myself included. I joined the navy when I was 17.

In suggesting I joined the military in Edmonton and went to Halifax, I want to remind all members in the House that Edmonton is a great spot for the military to be based, even those military people who will be transferred from Chilliwack and Calgary. It is a great home for those in the military and we welcome them with open arms.

Mr. Strahl: Have you a naval base?

Mr. McClelland: I remind members that Edmonton is the home of the largest freshwater navy in the world, at the West Edmonton mall. We have more submarines there than the Canadian navy. We have it all. We have army, navy and air force in Edmonton in great supply.

Earlier today I had the pleasure to share a few words with the hon. member for Bonavista—Trinity—Conception. Both of us being old salts, sharing this perspective from slightly different vantage points, he as an admiral and me as an ordinary sailor, we were talking about the military, about what has gone on and what the military means to so many people.

The military to a lot of young men and women from the prairies was the first opportunity to see something of our country and to meet people from other parts of the country. The military to many people from the maritimes was the first chance ever to go to the prairies. That is how we got to know each other. In the military was the first time I heard anyone speaking French. I will bet in the military was the first time many people whose first language is French ever spoke English.

The military is the great melting pot of Canada. I do not think it is good for us as a nation to lose sight of the fact that if we are not prepared for the unexpected, if we are honest with ourselves and see others as others see us rather than as we want to see us, we would have to say we are not a world player.

If we are going to ask ourselves what we are, let us ask what we can be with our military and what could be the primary role of our military. It should be something that enhances the country, that is defensive in nature and defends our country.

I read recently that if one comes down from Mars and has a look at Canada's military perspective one would think that our borders are somewhere in Europe. They are not. Our borders are right here in North America.

Why can we not be the very best people ever for search and rescue? God knows we have enough land that we need that capability. We need to be able to protect our sea coasts and we need to be able to help each other in times of distress. Would it not make sense if our military objectives had some semblance to what we need as a nation?

• (1640)

We need as a nation the opportunity to share with each other. We need to be able to protect ourselves and we need to be able to protect ourselves from foreign threats. Would it not make sense to have a highly trained backbone of military and have a very broadly based standing civilian military, a huge reserve?

Imagine if all the military bases across the country were used to provide an opportunity for young people, men and women, when they finished high school and are sitting around watching TV wondering what they are going to do with their lives, feeling that perhaps they need some growing up or some direction.

Would it not be interesting if we could have these people come into the military, spend a couple of years in service for the country, get a sense of self–worth, a sense of confidence, and a sense of our country by going from one part of the country to the other and spend a couple of years in service to the country? That would not cost a whole lot more than it would cost if we had to have these very same people on unemployment insurance or pogey.

If even a portion of these people joined the military and as a result ended up with a sense of discipline, the knowledge of how to get up in the morning and clean your own clothes and look after yourself which not everybody gets, imagine the benefit this would be down the road as people had this foundation of self–assurance and self–respect.

While we are looking at the whole role of the military and while we are investigating the military for its actions in Somalia, we should not lose sight of the fact that historically the military has served our country very well.

While we have a few bad apples, we should not paint everybody with the same brush. We should be very careful that we do not give our military a mandate it cannot carry out. We cannot on one hand say it will not have the funds necessary to do the job, but on the other hand say this is the job. We will have to cut the suit to match the cloth we have. That is the reality of the situation.

Mr. Mac Harb (Parliamentary Secretary to Minister for International Trade, Lib.): Mr. Speaker, I had a chance to travel to over 30 countries around the globe and I share some of my colleagues comments that our troops abroad have made us all proud in terms of their contribution to the peace process, not only in hot spot countries but in every country they have put a foot on.

It is a great honour for us as Canadians when we travel abroad when people see the Canadian flag and want to get one of those beautiful red and white pins. There is no question about it. This is precisely what the government wants to maintain.

The government is trying to maintain the integrity of the Canadian Armed Forces. If there are some bad apples, as my colleagues have suggested, this is precisely what the govern-

ment wants to do, to make sure the tree is healthy and all of the applies on it are edible; apples that are not only going to be useful for today but also useful in the future.

I agree with my colleague that we should look at ways we could use our armed forces as an example for the younger generation in certain aspect, at least the aspect of discipline, the aspect of doing things with determination, with good will and so on. It is worth while exploring all those opportunities.

Does the Reform Party have a specific proposal to make before the House of Commons when it comes to this issue. If so, would he share it with us?

• (1645)

Mr. McClelland: No, Mr. Speaker. This is part of my own personal crusade to add the whole notion of responsibility to being a Canadian citizen. We take for granted the fact that we have rights and privileges. Our Charter of Rights and Freedoms tells us so. Nowhere in the Charter of Rights and Freedoms does it say we have rights and we have freedoms and we have a corresponding responsibility.

I want to move all members of the House to start to think in terms of responsibilities. We should get our young folks to think they have the benefit of being a citizen of this fantastic country. What are their responsibilities to this country? What do they have to give back? What do they have to give before they can take from this wonderful country? We will have achieved something.

If we were to use our military and use the bases we have, the capital cost of one aircraft or one ship could keep a whole lot of young people busy learning about life for a year, half a year, two years, whatever it might be.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, a long time ago when I was at staff college I wrote a paper which suggested something along the lines that the member for Edmonton Southwest has mentioned.

The thrust was basically that at a given time in an individual's life, perhaps at the end of high school or at perhaps age 18 or 19, whichever came first, the individual would have the opportunity to leave the school system and involve himself or herself in repaying to the country what the country had put into them. It did not have to be in the military. It could be in the park service, a teacher's assistant and so on.

I would ask the member for Edmonton Southwest whether he considers this a viable proposition, understanding Canadians reject regimentation. Would this be a viable proposition? If so, at what point in a person's life would he suggest this take place?

Mr. McClelland: Mr. Speaker, it is an interesting question. I posed that question in the media some time ago. It struck an extremely resonant chord in Canada.

The average Canadian sincerely believes it is not all a one way street. The average Canadian intuitively knows that if we see young people hanging around shopping centres, if we see young people with no sense of direction, if we see young people looking at life and are afraid because they see many of their peers not achieving success or not doing anything positive with their lives, they instinctively say there has to be something we can do that is better.

To automatically reject any notion of discipline or military training because it offends the sensibilities of people who think we should be making love and not war is to ignore the fact that people need in their lives discipline. Especially young people need in their lives a sense of strength, a sense of belonging and a sense of self–confidence that comes from that discipline.

[*Translation*]

The Acting Speaker (Mr. Kilger): Order. It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Cumberland—Colchester—Small business; the hon. member for Mercier—Rail transport.

[*English*]

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I stand in defence of our armed forces and the many excellent highly professional people who make up our military.

In this regard the Government of Canada has shown a great deal of leadership in the area of publishing a new white paper on defence. I believe the government has provided a defence policy—

Mr. Frazer: On a point of order, Mr. Speaker. I believe it was our speaking rotation. The hon. member for Edmonton Southwest spoke for half the period. The hon. member for Nanaimo—Cowichan is to fulfil the commitment.

• (1650)

The Acting Speaker (Mr. Kilger): The hon. member for Saanich—Gulf Islands reminds me, and I do apologize to the House. I will seek the understanding of the member for Annapolis Valley—Hants that the Reform Party had given an indication earlier this day it would be splitting its time and I failed to take that into account.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, through this motion and the debates herein, Reform is trying to tell the government and the people of Canada there are weaknesses appearing in many areas of the Department of

National Defence. The government's reaction to these faults is not good enough. We are saying that its leadership is inadequate and so is its management.

Let us look at the airborne regiment. I applaud the fact that the inquiry is finally underway. It should have taken place long ago. There has been ample evidence since the government has been in power to indicate there was something wrong in the regiment. Why did it let it fester?

If the government had launched an inquiry a year ago it would have spared us all a lot of misery and would have spared the sullying of the reputations of many fine people.

The government did not act. As late as September last the minister said no to holding an inquiry. If an inquiry had been held, as we advocated, Major Armstrong, a Canadian forces medical officer, would have testified and had an outlet for his pent up concerns. The result would have been no adverse publicity for the forces. By the same token, it is probable we would not have had to go through the public video agony as these also would have found outlet in the inquiry. The government is not doing things in the proper order.

While we are on the subject of the airborne regiment, I would like to use that situation to underline why our motion in part condemns the government's failure to hold senior officials accountable for command and control shortcomings and deteriorating morale. It started with Private Kyle Brown instead of starting at the top.

I cannot believe the command structure of the Canadian forces did not know for quite some time there were problems in the airborne. I presume the Létourneau inquiry will identify the degree to which senior personnel were aware of and responsible for the deteriorating situation. Welcome as the inquiry is, it is too late to save the reputations of hard working professional soldiers and too late to save a fine regiment.

Let us look at the defence review. Once again we laud the government for taking the initiative to open up discussions in the House on defence matters and for conducting a defence review. Here again the government had it backwards. The review of our foreign policy should have come first. Defence policy is a function of foreign policy.

The other problem is that the government is not paying attention to what is being said. There is no point in having a defence review if we ignore some of its findings. Four examples have been ignored; personnel cuts to the forces, the budget cut 6,700 more than the review recommended.

Cuts to the defence budget, headquarters staff cuts, a study of the reorganization of national defence headquarters, creation of a standing joint committee on defence, review of capital expenditures over $30 million before a proposed committee, an annual review by the minister, an annual debate of defence policy by Parliament—these things recommended duly by the committee appointed have been ignored. We heard nothing about them.

• (1655)

Let us look at base closures and the rationalisation of DND's infrastructure. Once again I compliment the government on its gumption in getting on with the job. Many of this minister's predecessors have found it too politically difficult a task to take on.

My complaints with the government methodology are now confined to the apparent lack of planning that went into the decision to close the bases at Calgary and Chilliwack. Since this has already been covered today by my colleagues, I will leave it at that.

On my own turf national defence is closing the Nanaimo army camp. The community, as it seems typical for the west, has pretty much accepted this partly because it could bring positive things along with it in using the land for other purposes.

According to what I hear, resulting from the first negotiating meeting that took place this week with the community, national defence's primary interest is not the community. It is selling the land at market value and is concerned about native land claims. That is the highest priority on its list. That does not make the city of Nanaimo and surrounding areas too enthusiastic.

Let us look at morale in the department and in the Canadian forces. We had Colonel Oehring's report in December. He was mainly discussing a morale problem which he summed up as a loss of confidence and trust. Without these an army cannot operate. Colonel Oehring talked about an increasingly impotent military leadership and an uncaring system. He cites the widening gap between leaders and the led. He states the crisis of confidence must be at least acknowledged at the highest levels, and that is not being done. He believes it will take a public commitment by the Minister of National Defence, even the Prime Minister, to restore soldiers' lost and destroyed confidence.

What has the minister done to restore this confidence? The latest report dated March 1995 comes from Brigadier General Jeffries at Petawawa, whose assessment after consulting all of his commanding officers was that morale for the moment is in large part satisfactory, but that there is widespread dissatisfaction at virtually all rank levels.

Part of this dissatisfaction is directly attributable to the highest levels of leadership and management in the department and in the Canadian forces. At this level we want more from our soldiers than we are prepared to pay for. Here too, as in other things, we are living beyond our means. The soldiers' perception is that their interests and welfare are being sacrificed so that senior leaders can be successful in delivering the same bang for a much less buck.

Resolution of this problem must start at the very top. What is the minister doing about the morale and leadership in the department and in the Canadian forces?

Other things are amiss besides morale and leadership and there is no evidence that anything is being done. We hear reports of financial excesses by senior officers, reports of excessive expenditures on furniture and living allowances. What is being done? How does the ordinary soldier feel about his sacrifices, about his having to moonlight when his superiors spend irresponsibly?

What about the unanswered questions regarding former deputy minister Bob Fowler? There is a long list of questions which the Standing Committee on Foreign Affairs did not deal with earlier this week. The air should be cleared on matters like this: here are the allegations, answer them. If Mr. Fowler has done nothing wrong, let everyone know about it.

The Reform motion today condemns the government for decisions which have diminished Canada's defence posture; decisions like the EH–101 helicopter. We could spend a day on that one. There is CFB Cornwallis, the size of the Canadian forces, the reserves. What is going to happen to the militia?

• (1700)

There is a long list of problems to address and it is not happening. Or if they are being addressed, then Parliament and the Canadian people are not hearing about it. When the airborne inquiry is over, we need a new inquiry, a broadly based, broadly scoped inquiry to be put in its place to address all of the things we have been looking at.

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker I have a question for the hon. member. The debate has focused above all on the Somalia tragedy and to a lesser extent the Bosnia tragedy.

Would the hon. member not agree that the explanation for the failure there lies in the failure to adequately define the roles and missions in advance of the intervention, the failure to separate and distinguish between chapter VI and chapter VII UN charter operations—peacekeeping as opposed to peacemaking—and the failure to adequately define a post–cold war military mission for our defence forces?

Understanding as he does the doctrine of ministerial responsibility, under those circumstances would he not accept that the responsibility lies not on the civil servants but under our constitutional system on the Prime Minister and defence minister who ventured into those operations without adequate prior thought, that is to say the Prime Minister and the defence minister in the preceding Mulroney government?

Mr. Ringma: Mr. Speaker, I agree with the member for Vancouver Quadra that there is a fair bit in what he says. Responsibility can be attributed to the prior government and its minister and the Prime Minister.

It goes beyond that. I could carry that argument further and say we must. We have proposed that the House be involved in the decisions to deploy Canadian troops, that we must do that. It is a good point and well made. Beyond that there are other areas.

There are continuing problems. There is a problem even in Somalia with the leadership of the Canadian forces. Therefore I have to attribute part of the blame to the government of the day for not taking hold of these problems and saying: "What can we do about them?" Let us get them out in the open. Let us clarify them. Let us not condemn the people who are innocent in this process.

Yes, there is something to what the member says. Some blame can be attributed to the previous government, but also to this current government. It has to get on with rectifying things.

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I am pleased today to stand in defence of our armed forces and the many excellent, highly professional people who make up the military.

The Government of Canada has shown leadership in this area by publishing a new white paper on defence. I believe it has provided a defence policy which gives the Canadian forces the clear direction required in these uncertain times.

As the Minister of National Defence detailed previously, senior military officers are providing leadership. This is evidenced by the effectiveness of our forces at home and abroad.

This debate has special importance for me because in my riding of Annapolis Valley—Hants I have a significant number of military personnel stationed at CFB Greenwood and at Camp Aldershot. I have had the pleasure of meeting with many of these people over the last number of years.

I am most impressed by the dedication, professionalism and commitment of the men and women of the Canadian Armed Forces. They do their work with little or no public recognition. Yet our military continues to make significant contributions around the world.

The growing burden of public sector debt over the last 20 years has affected all Canadians. DND and the Canadian forces have rightly been expected to contribute their fair share to reduce the nation's deficit.

• (1705)

In 1989 DND and the Canadian Armed Forces suffered deep cuts to personnel, capital purchases and infrastructure. The most recent federal budget continues that trend.

I am certainly not suggesting that members of the Department of National Defence or the Canadian forces are resentful of having to do their part. It is quite the opposite. They, like many Canadians serving in the defence of Canada, are interested in understanding the need to do their part for the national effort to reduce the deficit.

There is no denying however that fiscal restraint generates stress and uncertainty, a situation certainly not unique to the Canadian forces. Downsizing the Canadian forces means that expectations of a secure military career with unlimited advancement can no longer be met. Salaries and incentive pay have been frozen. Some of the rank and file, particularly those with less than four years' service, may find it difficult at times to make ends meet.

Under these trying circumstances, it is imperative that the leadership in DND and the Canadian forces take positive action to improve morale. They must deal with the problems being faced by those under their charge. I contend they are doing that.

Senior leaders are constantly in touch with their men and women in the forces. They will remain so to explain what is happening and to detail actions being taken on their behalf.

There are a number of workforce pressures that our forces experience. Economic and social changes, as we know, have had dramatic impact on the nature of the Canadian family and the workforce. Marriages in which both spouses work are becoming the dominant trend.

The Canadian forces are like a microcosm of the larger Canadian society and therefore reflect these trends. Between 1980 and 1990 the number of military couples in the Canadian forces tripled. The majority of the force members are now either married or single parents. Among married couples, the number with families and working spouses is significant. This development has put pressure on the military as members are understandably seeking family, career, financial and educational stability.

DND and the Canadian forces have added the challenge of balancing the needs of their members with the needs of operational requirements and effectiveness.

Many career paths are being restructured to reduce the number of postings and assignments that a member of the Canadian forces can expect over a lifetime of service. This policy will result in fewer relocations, easing the burden on military personnel and families. Ways to alleviate the stress and hardship caused by moves that are frequent in comparison with civilians are being highly examined.

There is also social change. Over the past 15 years society has embraced a new idealism based on individual human rights and freedoms. This is reflected in legislation such as the Human Rights Act, the Privacy Act and the Canadian Charter of Rights and Freedoms. It is the task of the leaders within DND and the Canadian forces to identify and respond appropriately to such changes. It is clear that DND and the Canadian forces have managed to do just that.

Canada's human rights legislation has been actively addressed in both spirit and letter. As a result, the role of women in the military has been enhanced. The percentage of women in the Canadian forces is among the highest of any military force in the world. Nevertheless, DND and the forces have reinforced their commitment to make military careers more attractive to women.

The ability of DND and the Canadian forces to adapt and respond to societal pressures stands in testament to their leaders. As with good leadership, good morale is likewise integral to the success of the Canadian forces.

Lately we have been hearing much about the morale of the military. Members opposite have been suggesting that the Canadian forces are receiving poor leadership and that morale is being affected. Leadership clearly influences morale. The chain of command's responsibility for morale was noted by the special joint committee on Canada's defence policy. This same committee however noted that the leadership provided by senior ranks with the Canadian forces is excellent. If morale among the uniform ranks is not as high as it could be, it is largely for the same reason that morale is not high elsewhere in society: fear of layoffs, fear of the future, fear of the children's future.

• (1710)

This is not to suggest that senior leaders within the department and the Canadian forces can remain passive. They cannot and will not abdicate their responsibility for ensuring that morale is as high as possible.

It is understood that like many Canadians, members of the Canadian forces are being asked to do their job with limited resources at their disposal. That is why care is being taken to address those needs that are most acute. Current plans call for the acquisition of a variety of modern equipment essential to the maintenance of multi–purpose combat capacity and capability. For example there exists a recognized operational deficiency in the armoured personnel carrier fleet. The Canadian forces will therefore acquire new armoured personnel carriers with delivery to commence in 1997.

Furthermore, approximately 3,000 additional soldiers will be added to the army's field force despite an overall reduction in the size of the armed forces. This will help alleviate shortfalls in the field army's ability to meet Canada's international commitments.

A recent memo by Brigadier–General Jeffries has also been cited by some as proof of deteriorating morale within the forces. They claim that the blame can be laid at the feet of senior members within DND and the Canadian forces. First it should be acknowledged that General Jeffries states in his memo that morale remains, for the most part, high. Second, it must be realized that the Canadian forces have been under considerable pressure for the past few years. Memos such as the one written by General Jeffries represents part of the solution.

To again quote the special joint committee, every commanding officer, indeed every military person commanding a unit of whatever size, constantly monitors the state of morale in his or her unit and takes whatever steps are required to maintain good communication within the personnel in their charge.

Good leadership demands that we know what people are thinking and what their concerns are. Through surveys, studies and memos like that written by General Jeffries, issues are brought to the forefront and dealt with appropriately.

In conclusion, the Department of National Defence and the Canadian forces face a host of pressures many of which are shared by all Canadians and some of which are unique to those who have chosen to serve the country. Changing societal expectations, limited resources, evolving demands on the workforce have created new challenges for all of us. Those in the Canadian military have the added challenge of meeting the operational requirements and responsibilities associated with any military force.

Meeting these challenges effectively requires strong leadership. I believe senior members of the Department of National Defence and the Canadian forces are providing that leadership. Many measures aimed at addressing the concerns of force members have been implemented and many others are being examined. The chain of command bears full responsibility for the morale in the forces. The excellent leadership demonstrated by everyone from the Minister of National Defence on down ensures that morale will always remain high.

[*Translation*]

The Acting Speaker (Mr. Kilger): It being 5.15 p.m., pursuant to Standing Order 81, proceedings on the motion have expired. It is my duty to put forthwith all questions necessary to dispose of the supply proceedings now before the House.

[*English*]

Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Call in the members.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 178*)

YEAS

Members

Bellehumeur
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Bélisle
Chatters
Cummins
Debien
Deshaies
Duceppe
Duncan
Fillion
Frazer
Godin
Guay
Harper (Calgary West)
Jacob
Johnston
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
McClelland (Edmonton Southwest)
Meredith
Nunez
Penson
Ringma
Schmidt
Stinson
Thompson
Tremblay (Rosemont)
Bergeron
Blaikie
Brown (Calgary Southeast)
Caron
Crête
Daviault
de Jong
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gouk
Guimond
Harper (Simcoe Centre)
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Lefebvre
Leroux (Shefford)
Martin (Esquimalt—Juan de Fuca)
Mercier
Ménard
Paré
Pomerleau
Rocheleau
Scott (Skeena)
Strahl
Tremblay (Rimouski—Témiscouata)
White (North Vancouver)—62

NAYS

Members

Adams
Augustine
Barnes
Bellemare
Bethel
Blondin–Andrew
Bonin
Brown (Oakville—Milton)
Bryden
Bélanger
Catterall
Arseneault
Bakopanos
Beaumier
Bertrand
Bevilacqua
Bodnar
Boudria
Brushett
Bélair
Calder
Cauchon

Clancy	Cohen
Collenette	Collins
Comuzzi	Copps
Cowling	Crawford
DeVillers	Dingwall
Discepola	Duhamel
English	Fewchuk
Finestone	Finlay
Flis	Fontana
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gallaway	Gerrard
Godfrey	Graham
Grose	Guarnieri
Harb	Harvard
Hickey	Hopkins
Hubbard	Irwin
Keyes	Kirkby
Kraft Sloan	Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Lincoln	Loney
MacAulay	MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)	Maheu
Malhi	Maloney
Manley	Marchi
Marleau	Massé
McCormick	McGuire
McKinnon	McLellan (Edmonton Northwest)
McTeague	McWhinney
Mifflin	Milliken
Mills (Broadview—Greenwood)	Minna
Mitchell	Murphy
Murray	Nault
Nunziata	O'Brien
O'Reilly	Pagtakhan
Paradis	Patry
Peters	Phinney
Pickard (Essex—Kent)	Pilliteri
Proud	Reed
Regan	Richardson
Robichaud	Robillard
Rock	Rompkey
Scott (Fredericton—York—Sunbury)	Serré
Shepherd	Skoke
Speller	St. Denis
Stewart (Brant)	Stewart (Northumberland)
Telegdi	Thalheimer
Torsney	Valeri
Vanclief	Verran
Volpe	Walker
Wappel	Wells
Whelan	Wood
Young —125	

PAIRED—MEMBERS

Asselin	Bachand
Bernier (Gaspé)	Bouchard
Brien	Campbell
Canuel	Chan
Chrétien (Frontenac)	Culbert
Dalphond-Guiral	Fry
Gaffney	Goodale
Gray (Windsor West)	Harper (Churchill)
Ianno	Jackson
Marchand	Parrish
Picard (Drummond)	Sauvageau
Simmons	St-Laurent
Szabo	Ur
Wayne	de Savoye

• (1740)

The Speaker: I declare the motion lost.

Supply

SUPPLEMENTARY ESTIMATES (D)

Hon. Alfonso Gagliano (for President of the Treasury Board) moved:

That Supplementary Estimates (D) for the fiscal year ending March 31, 1995 be concurred in.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Boudria: Mr. Speaker, I rise on a point of order. If I were to seek it, perhaps you would find unanimous consent to apply the vote just taken on the opposition motion to the concurrence in Supplementary Estimates (D) in reverse.

The Speaker: Is that agreed?

Some hon. members: Agreed.

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

(*Division No. 179*)

YEAS

Members

Adams	Arseneault
Augustine	Bakopanos
Barnes	Beaumier
Bellemare	Bertrand
Bethel	Bevilacqua
Blondin-Andrew	Bodnar
Bonin	Boudria
Brown (Oakville—Milton)	Brushett
Bryden	Bélair
Bélanger	Calder
Catterall	Cauchon
Clancy	Cohen
Collenette	Collins
Comuzzi	Copps
Cowling	Crawford
DeVillers	Dingwall
Discepola	Duhamel
English	Fewchuk
Finestone	Finlay
Flis	Fontana
Gagliano	Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gallaway	Gerrard
Godfrey	Graham
Grose	Guarnieri
Harb	Harvard
Hickey	Hopkins
Hubbard	Irwin
Keyes	Kirkby
Kraft Sloan	Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Lincoln	Loney
MacAulay	MacDonald

MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Manley
Marleau
McCormick
McKinnon
McTeague
Mifflin
Mills (Broadview—Greenwood)
Mitchell
Murray
Nunziata
O'Reilly
Paradis
Peters
Pickard (Essex—Kent)
Proud
Regan
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Speller
Stewart (Brant)
Telegdi
Torsney
Vanclief
Volpe
Wappel
Whelan
Young —125

Maheu
Maloney
Marchi
Massé
McGuire
McLellan (Edmonton Northwest)
McWhinney
Milliken
Minna
Murphy
Nault
O'Brien
Pagtakhan
Patry
Phinney
Pillitteri
Reed
Richardson
Robillard
Rompkey
Serré
Skoke
St. Denis
Stewart (Northumberland)
Thalheimer
Valeri
Verran
Walker
Wells
Wood

NAYS

Members

Bellehumeur
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Bélisle
Chatters
Cummins
Debien
Deshaies
Duceppe
Duncan
Fillion
Frazer
Godin
Guay
Harper (Calgary West)
Jacob
Johnston
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
McClelland (Edmonton Southwest)
Meredith
Nunez
Penson
Ringma
Schmidt
Stinson
Thompson
Tremblay (Rosemont)

Bergeron
Blaikie
Brown (Calgary Southeast)
Caron
Crête
Daviault
de Jong
Dubé
Dumas
Epp
Forseth
Gagnon (Québec)
Gouk
Guimond
Harper (Simcoe Centre)
Jennings
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Lefebvre
Leroux (Shefford)
Martin (Esquimalt—Juan de Fuca)
Mercier
Ménard
Paré
Pomerleau
Rocheleau
Scott (Skeena)
Strahl
Tremblay (Rimouski—Témiscouata)
White (North Vancouver)—62

PAIRED—MEMBERS

Asselin
Bernier (Gaspé)
Brien
Canuel
Chrétien (Frontenac)
Dalphond-Guiral
Gaffney
Gray (Windsor West)
Ianno
Marchand
Picard (Drummond)
Simmons
Szabo
Wayne

Bachand
Bouchard
Campbell
Chan
Culbert
Fry
Goodale
Harper (Churchill)
Jackson
Parrish
Sauvageau
St-Laurent
Ur
de Savoye

The Speaker: I declare the motion carried.

• (1745)

Mr. Gagliano (for President of the Treasury Board) moved that Bill C–79, an act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1995, be read the first time.

(Motion deemed adopted and bill read the first time.)

Mr. Gagliano (for President of the Treasury Board) moved that the bill be read the second time and referred to committee of the whole.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And more than five members having risen:

[*Translation*]

Mr. Boudria: Mr. Speaker, I think that if you were to seek the unanimous consent of the House, you might find agreement to apply the vote applied on the previous motion to the motion now before the House.

The Speaker: Is that agreed?

[*English*]

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 179.*]

The Speaker: I declare the motion carried.

(Bill read the second time and the House went into committee thereon, Mr. Kilger in the chair.)

The Assistant Deputy Chairman: Shall clause 2 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 2 agreed to.)

The Assistant Deputy Chairman: Shall clause 3 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 3 agreed to.)

The Assistant Deputy Chairman: Shall clause 4 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 4 agreed to.)

[*Translation*]

On Clause 5

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Before we proceed, I would like to know whether the Secretary of State for Parliamentary Affairs could give the House the assurance that the content of the bill before us is presented in the usual format.

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, this bill is in the same form as passed in previous years.

[*English*]

The Assistant Deputy Chairman: Shall clause 5 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 5 agreed to.)

The Assistant Deputy Chairman: Shall clause 6 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 6 agreed to.)

The Assistant Deputy Chairman: Shall clause 7 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 7 agreed to.)

The Assistant Deputy Chairman: Shall the schedule carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Schedule agreed to.)

The Assistant Deputy Chairman: Shall clause 1 carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Clause 1 agreed to.)

The Assistant Deputy Chairman: Shall the preamble carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Preamble agreed to.)

The Assistant Deputy Chairman: Shall the title carry?

Some hon. members: Agreed.

Some hon. members: On division.

(Title agreed to.)

(Bill reported.)

• (1750)

Mr. Gagliano (for President of the Treasury Board) moved that the bill be concurred in.

Mr. Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Boudria: Mr. Speaker, if you were to seek unanimous consent, you might find agreement to apply the vote applied on the previous motion to the motion now before the House.

The Speaker: Is it agreed?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 179*]

The Speaker: I declare the motion carried.

Mr. Gagliano (for President of the Treasury Board) moved that the bill be read the third time and passed.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

[*Translation*]

Mr. Boudria: Mr. Speaker, I think that if you were to seek the unanimous consent of the House, you might find agreement to apply the vote applied on the previous motion to the motion now before the House.

[*English*]

The Speaker: Is that agreed?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 179*]

The Speaker: I declare the motion carried.

(Bill read the third time and passed.)

* * *

INTERIM SUPPLY

Hon. Alfonso Gagliano (for President of the Treasury Board) moved:

That this House do concur in Interim Supply as follows:

That a sum not exceeding $13,678,486,367.24 being composed of:

(1) three–twelfths ($9,436,353,218.25) of the total of the amounts of the items set forth in the Main Estimates for the fiscal year ending March 31, 1996, which were laid upon the Table Tuesday, February 28, 1995, and except for those items below:

(2) eleven–twelfths of the total of the amount of Foreign Affairs and International Trade Vote L30 and Treasury Board Vote 5 (Schedule A) of the said Estimates, $412,537,583.33;

(3) nine–twelfths of the total of the amount of Industry Vote 5 and Transport Vote 35 (Schedule B) of the said Estimates, $49,296,750.00;

(4) eight–twelfths of the total of the amounts of Canadian Heritage Vote 95, and Human Resources Development Vote 50 (Schedule C) of the said Estimates, $4,292,666.67;

(5) six–twelfths of the total of the amount of Canadian Heritage Vote 150, Indian Affairs and Northern Development Vote 10, Justice Vote 5 and Treasury Board Vote 10 (Schedule D) of the said Estimates, $11,435,500.00;

(6) five–twelfths of the total of the amounts of Canadian Heritage Vote 75, Finance Vote L30, Indian Affairs and Northern Development Votes 15 and 50, Natural Resources Vote 10, Public Works and Government Services Vote 30 and Transport Vote 1 (Schedule E) of the said Estimates, $2,273,490,041.66;

(7) four–twelfths of the total of the amounts of Canadian Heritage Votes 40, 45, 60 and 70, and Citizenship and Immigration Vote 10, Foreign Affairs and International Trade Vote 15, Human Resources Development Votes 5 and 10, Indian Affairs and Northern Development Votes 35 and 40, Industry Votes 40, 45 and 95, Justice Votes 1 and 10, Parliament Vote 1, Public Works and Government Services Votes 20 and 25, and Solicitor General Vote 5 (Schedule F) of the said Estimates, $1,491,080,607.33;

be granted to Her Majesty on account of the fiscal year ending March 31, 1996.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And more than five members having risen:

Mr. Boudria: Mr. Speaker, if you were to seek it you would find unanimous consent to apply the vote taken on the previous motion to the motion now before the House.

The Speaker: Is that agreed?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 179.*]

The Speaker: I declare the motion carried.

Mr. Gagliano (for President of the Treasury Board) moved that Bill C–80, an act for granting Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1996, be read the first time.

(Motion deemed adopted and bill read the first time.)

Mr. Gagliano (for President of the Treasury Board) moved that the bill be read the second time and referred to committee of the whole.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And more than five members having risen:

• (1755)

Mr. Boudria: Mr. Speaker, if you would seek unanimous consent you would find that there is consent to apply the vote taken on the previous motion to the motion now before the House.

Mr. Speaker: Is that agreed?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 179.*]

The Speaker: I declare the motion carried.

(Bill read the second time and the House went into committee thereon, Mr. Kilger in the chair.)

[*Translation*]

The Assistant Deputy Chairman: House in Committee of the Whole on Bill C–80, an Act for granting Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1996.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I would like to ask the Secretary of State for Parliamentary Affairs if this bill is presented in the same form as passed in previous years.

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the appropriations requested in the bill are intended to meet all the basic requirements of the public service of Canada until June 31, 1995. The bill does not appropriate the total amount for any item, and the bill has the customary format of interim supply bills. I can assure the hon. member that the bill is in the same form as passed in previous years.

The Assistant Deputy Chairman: Shall clause 2 carry?

(Clause 2 agreed to.)

The Assistant Deputy Chairman: Shall clause 3 carry?

Some hon. members: On division.

(Clause 3 agreed to.)

The Assistant Deputy Chairman: Shall clause 4 carry?

Some hon. members: On division.

(Clause 4 agreed to.)

The Assistant Deputy Chairman: Shall clause 5 carry?

Some hon. members: On division.

(Clause 5 agreed to.)

The Assistant Deputy Chairman: Shall Schedule A carry?

Some hon. members: On division.

(Schedule A agreed to.)

The Assistant Deputy Chairman: Shall Schedule B carry?

Some hon. members: On division.

(Schedule B agreed to.)

The Assistant Deputy Chairman: Shall Schedule C carry?

Some hon. members: On division.

(Schedule C agreed to.)

The Assistant Deputy Chairman: Shall Schedule D carry?

Some hon. members: On division.

(Schedule D agreed to.)

The Assistant Deputy Chairman: Shall Schedule E carry?

Some hon. members: On division.

(Schedule E agreed to.)

The Assistant Deputy Chairman: Shall Schedule F carry?

Some hon. members: On division.

(Schedule F agreed to.)

The Assistant Deputy Chairman: Shall Clause 1 carry?

Some hon. members: On division.

(Clause 1 agreed to.)

The Assistant Deputy Chairman: Shall the preamble carry?

Some hon. members: On division.

(Preamble agreed to.)

The Assistant Deputy Chairman: Shall the title carry?

Some hon. members: On division.

(Title agreed to.)

The Assistant Deputy Chairman: Shall the bill be adopted?

Some hon. members: On division.

(Bill reported.)

Hon. Alfonso Gagliano (for the President of the Treasury Board) moved that the bill be concurred in.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the nays have it.

And more than five members having risen:

[*English*]

Mr. Boudria: Mr. Speaker, if you were to seek unanimous consent you would find there is consent to apply the vote just taken on the previous motion to the motion now before the House.

The Speaker: Is that agreed?

Some hon. members: Agreed.

[Editor's Note: See list under Division No. 179.]

The Speaker: I declare the motion carried.

Mr. Gagliano (for President of the Treasury Board) moved that the bill be read the third time and passed.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

Some hon. members: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

[*Translation*]

Mr. Boudria: Mr. Speaker, I believe that if you were to seek unanimous consent you would find there is consent to apply the vote taken on the previous motion to the motion now before the House.

[*English*]

The Speaker: Is that agreed?

Some hon. members: Agreed.

[Editor's Note: See list under Division No. 179.]

The Speaker: I declare the motion carried.

(Bill read the third time and passed.)

The Speaker: It being 6 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*Translation*]

ACT TO REVOKE THE CONVICTION OF LOUIS DAVID RIEL

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ) moved that Bill C–288, an act to revoke the conviction of Louis David Riel, be read the second time and referred to the Standing Committee on Canadian Heritage.

She said: Mr. Speaker, on November 28, 1985, under Standing Order 22, better known today as Standing Order 31, the Deputy Prime Minister sought posthumous pardon for Louis David Riel. At that time, the hon. member for Hamilton East said, and I quote: "Louis Riel, who died unnecessarily, deserves to be exonerated by the Government and recognized as a victim of wrongdoing".

The aim of Bill C–288, an act to revoke the conviction of Louis David Riel, which is before the House in second reading today, is simply to exonerate the victim of a conspiracy. The members of the Standing Committee on Procedure and House Affairs representing the Liberal Party of Canada and the Reform Party joined forces and decided that this bill was not votable, despite the fact that a number of government members welcomed it enthusiastically.

It was not the intention of the Bloc Quebecois in introducing it to further complicate relations between whites and native peoples and between anglophones and francophones.

• (1805)

The Bloc Quebecois' action is in step with work begun by Canadian parliamentarians, who, for more than ten years, have been asking the members of this House to rise temporarily above partisan bickering and join together to revoke the conviction of Louis Riel.

Here is a brief history of the interventions preceding this one. On September 23, 1983, MP William Yurko tabled Bill C–691, an act to pardon Louis David Riel. He tried again on March 14, 1984 with Bill C–228.

A few months later, Les Benjamin, member for Regina—Lumsden, twice tabled a bill, this time to revoke the conviction of Louis David Riel—first on June 28, 1984 and then on December 13, 1984.

On September 16, 1987, the member for Kamloops tabled the same bill. On October 13, 1989, Mr. Skelly, member for Comox—Alberni, tabled a notice of motion to recognize Louis Riel as a Father of Confederation.

Lastly, on March 10, 1992, the Right Hon. Joe Clark, President of the Privy Council and Minister responsible for Constitutional Affairs in the Mulroney government and hon. member for Yellowhead, introduced a resolution, which was adopted, whereby the House recognized, and I quote: "The unique and historic role of Louis Riel as a founder of Manitoba and his contribution in the development of Confederation" and agreed to "support by its actions the true attainment, both in principle and practice, of the constitutional rights of the Metis people".

The bill currently being debated in the House is identical to the ones which have been introduced by the New Democrats over the past ten years. Furthermore, I have been told that, at one time, there was agreement between the three parties, Conserva-

tives, Liberals and New Democrats, to pass the bill, but it was never pursued.

The bill we are considering today does not aim to rewrite history. That would be impossible. Riel is dead. And, anyway, the act to revoke his conviction aims to revoke his unjust conviction, 110 years after his death.

On November 16, 1885, Louis "David" Riel, the Metis hero, was hanged. At a time when means of communication were far from being what they are today, the unjust hanging of Riel upset an indignant population, even as far away as on Quebec's shores.

Less than one week after his hanging, on November 22, 1885, close to 50,000 people gathered in the Champ de Mars in Montreal, to hear the famous cry of Honoré Mercier, one of the greatest of all of Quebec's premiers: "Riel, our brother, is dead".

Premier Mercier's cry is how any free person would have marked the passing of any just woman or man who was unjustly assassinated. It also is a cry marking the passing of a man who fought injustice towards his people.

For this reason, the case of Riel is exemplary. I remember the resolution introduced in this House by the Right Hon. Joe Clark on March 10, 1992. Watered down to satisfy the Conservative and Liberal dinosaurs of the day, the resolution which was adopted unanimously recognizes that the Metis and Louis Riel had just cause to fight against the Canadian government. The resolution states, and I quote:

> That this House take note that the Metis people of Rupert's Land and the North Western Territory through democratic structures and procedures took effective steps to maintain order and protect the lives, rights and property of the people of the Red River;
>
> That this House take note that, in 1870, under the leadership of Louis Riel, the Metis of the Red River adopted a List of Rights;
>
> That this House take note that, based on the List of Rights, Louis Riel negotiated the terms for the admission of Rupert's Land and the North Western Territory into the Dominion of Canada;
>
> That this House take note that these terms for admission form part of the Manitoba Act;
>
> That this House take note that, after negotiating Manitoba's entry into Confederation, Louis Riel was elected thrice to the House of Commons;
>
> That this House take note that, in 1885, Louis Riel paid with his life for his leadership in a movement which fought for the maintenance of the rights and freedoms of the Metis people;
>
> That this House take note that the Constitution Act, 1982, recognizes and affirms the existing aboriginal and treaty right of the Metis;
>
> That this House take note that since the death of Louis Riel, the Metis people have honoured his memory and continued his purposes in their honourable striving for the implementation of those rights.

• (1810)

Twice, Riel defended the Metis against the Canadian government: in 1869 in Manitoba and in 1885 in Saskatchewan.

The legitimate, democratic and just nature of what he did must be emphasized. What Riel did was legitimate and has been recognized as such by all those who have made a careful analysis of the behaviour of the Canadian government's representatives in 1869. Even Macdonald later acknowledged that, in the circumstances, the inhabitants of the young colony had been obliged to form a government in order to protect their lives and their property.

What Riel did was democratic. At all stages, Riel ensured that the people were consulted and that anglophone and francophone groups were represented in equal proportions, even though francophones were the more numerous of the two groups at the time.

What Riel did was just. In his list of rights, Riel included representation in the government of Canada, guarantees of bilingualism in the provincial legislature, a bilingual chief justice and provisions for free farms and treaties with the Indians.

Riel was elected to the House of Commons three times as the representative for Provencher. In an upcoming book on Riel, Richard Saindon, a CBC journalist in Rimouski, tells how on March 30, 1874 the then member for Rimouski, Jean–Baptiste–Romuald Fiset, took a hooded Riel in through one of the concealed doors to be sworn in as a member of Parliament and sign the registry. On April 9, 1874 he was expelled from the House. The motion was re–introduced, and when he was re–elected *in absentia* on September 3, 1874 for the third time, he was prevented from taking his seat.

The strain of his battle for the Metis took a lasting toll on his mental health and he had to be hospitalized. He was admitted to the asylum at Longue Pointe, now Louis–Hippolyte Lafontaine, on March 6, 1876. In May of that year, in a move to outwit his political enemies, he was transferred to the asylum at Beauport, now Robert Giffard, which he left a year and a half later on the undertaking that he would lead a quiet life.

In July 1884, at the request of Metis, anglophones and Indians in Saskatchewan, Riel, who was then living in Montana, returned to Canada, to Batoche in Saskatchewan, to defend his people. On December 16, 1884, the organization representing the Metis and anglophones sent the Canadian government a long petition with 25 clauses, mostly about land claims, which outlined Metis and Indian grievances.

Representatives of the Saskatchewan people requested that they be allowed to send delegates to Ottawa with their List of Rights as in 1870, so that an agreement could be reached on their

entry into Confederation, should they become a free province. Secretary of State Chapleau acknowledged receipt of the petition and then Prime Minister Macdonald, who later denied receiving it, passed it on to his Minister of the Interior, the hon. David Lewis Macpherson.

While Riel suffered renewed attacks of paranoia as a result of the tension, the federal government responded to the Saskatchewan people's fair demands by sending in the army. On May 15, 1885, Riel gave himself up.

As for the trial which led the Metis hero to the scaffold, it was full of irregularities. Let us look at the facts. Militia minister Joseph–Philippe–René–Adolphe Caron sent Riel to jail in Winnipeg. For his part, then Prime Minister John Alexander Macdonald wanted to ensure a unanimous verdict. He analyzed the situation. He knew that people in Regina did not like the accused, while Winnipeg residents were supportive of him. He therefore decided to have Riel tried in Regina instead of Winnipeg.

• (1815)

In fact, if Riel had been tried in Winnipeg, he would have been entitled to a 12–man jury, half of which could be made up of francophones. He would also have been entitled to a Superior Court judge whose independence is guaranteed by law and custom.

However, conditions were quite different in Regina: with no guarantee of bilingualism, the jury was composed of English–speaking Protestants. The only francophone out of the 36 people who were called had an accident and the only Catholic recused himself. A unilingual English judge, Richardson, was chosen. He owed his position to the federal government and could be summarily dismissed at any time.

Among the 84 accused rebels, Riel was the only one tried under a 1352 English law rather than the 1868 Canadian legislation. The former provided for compulsory capital punishment and the latter, for life imprisonment.

Although Mr. Roy, the Beauport asylum's medical superintendent, and Daniel Clark, the superintendent of the insane asylum in Toronto, recognized that Riel suffered from megalomania, preference was given to the evidence given by Wallace, medical superintendent of the insane asylum in Hamilton, who, on the basis of a half–hour interview, maintained that Riel was of sound mind.

In his address to the jury, Judge Richardson appeared strongly prejudiced against Riel, according to Thomas in the *Dictionary of Canadian Biography*. In fact, the Macdonald government sacrificed Riel to the powerful Ontario Orangemen's lobby.

To justify itself, cabinet goes as far as falsifying, in a report to this House, the report by Dr. Valade attesting that Riel was not guilty by reason of insanity. From 1885 to this day, every psychiatrist who reviewed Riel's case, with one exception, diagnosed the Metis leader as suffering from grandiose delusion. Finally, on the one hand, the Canadian justice system convicted 20 Metis and many Indians, but on the other hand, it acquitted two White settlers charged with a national security offence, namely Jackson and Thomas Scott.

Riel's assassination, while being the most visible manifestation of it, is but one of the elements of a national policy aimed at quashing any wish to have a distinct society west of Ontario.

Francophones account for only 1.9 per cent of all immigrants who settled in Western Canada. It is therefore no wonder that, today, francophones account for as little as 4.7 per cent of the population in Manitoba; 2.2 per cent in Saskatchewan; 2.3 per cent in Alberta; 1.6 per cent in British Columbia; 3.3 per cent in the Yukon and 2.5 per cent in the Northwest Territories, when in the days of Louis Riel, the francophone community was the largest community in Western Canada.

No wonder such an adverse immigration policy led to francophones becoming assimilated in a flash, as we can see from 1991 statistics, which indicate rates of assimilation of 52.1 per cent in Manitoba; 69.6 per cent in Saskatchewan; 66.9 per cent in Alberta; 75.2 per cent in British Columbia; and 56.6 per cent in the Yukon and the Northwest Territories.

In 1891, the Canadian government put a Quebec religious teaching order in charge of opening schools in the West to turn francophone Metis children into anglophones. A century later, at a mass celebrated on September 3, 1991, the Sisters of the Assumption recognized their participation in the cultural genocide of the Metis in Alberta.

Louis Riel was hanged for being a Metis and a francophone, for having advocated a distinct society. I had hoped that on the 110th anniversary of his assassination, this House would rise to the occasion and honour this man who devoted his life to championing the rights of his people. I must face facts and realize that it is no use.

To those who strongly object to such historical reminders, I simply want to remind that to deny the past is to fail to try to understand the present and, most importantly, to refuse to give ourselves a future.

• (1820)

We, in Quebec, have looked at these events of the past. What we understand about our present circumstances is that the rest of Canada denies our existence and refuses to see and accept us as different. That is why the only possible future for us rests in the courage and pride we will take in soon giving ourselves a country of our own.

Mr. Robert Bertrand (Pontiac—Gatineau—Labelle, Lib.): Mr. Speaker, I want to discuss private member's bill C–288, an Act to revoke the conviction of Louis David Riel, which was

tabled by the hon. member for Rimouski—Témiscouata. The preamble of this bill states that Louis David Riel, Member of the House of Commons for the electoral district of Provencher from 1873 to 1874, was convicted on August 1, 1885 of high treason, sentenced to death, and was hanged on November 16, 1885, at Regina, North West Territories.

The bill also states that notwithstanding his conviction, Louis David Riel has become a symbol and a hero to successive generations of Canadians who have, through their governments, honoured and commemorated him in specific projects and actions. The purpose of this bill, is to revoke the conviction of Louis Riel for high treason. To that end, the hon. member who sponsors the bill refers to the role played by Louis Riel in Canadian history.

Louis Riel was elected three times to this House. His constituents considered him to be a guide who was reliable, intelligent and educated. Louis Riel worked in close co–operation with the members of his community to help them identify and state their claims and their objectives. Louis Riel played a major role in helping Manitoba become a member of Confederation as a province, not as part of the North West Territories, and in ensuring that the guarantees protecting religion and the language were enshrined in the Manitoba Act. I think we all recognize the very prominent role played by Louis Riel as protector of the interests of the Metis, as well as his contribution to the development of western Canada.

Some actions have already taken in the past to recognize the contribution of Louis Riel to the building of our country. Let me just briefly mention the issue of stamps, the erection of statues and the organizing of cultural events. Moreover, on March 10, 1992, the House of Commons passed a resolution, tabled by the then President of the Privy Council and Minister responsible for Constitutional Affairs, recognizing the role played by Louis Riel.

That resolution, which was passed by this House and the other place, received the support of the Metis nation of Canada and ended with these words: "That this House recognize the unique and historic role of Louis Riel as a founder of Manitoba and his contribution in the development of Confederation; and that this House support by its actions the true attainment, both in principle and in practice, of the constitutional rights of the Metis people". Members on this side of the House supported the resolution and recognized Louis Riel's contribution. Louis Riel paid the ultimate price as leader of a movement which fought to protect the rights and freedoms of the Metis people.

He was convicted of high treason, sentenced to death and hanged. This bill, which seeks to revoke the conviction of Louis Riel, raises important issues which must be carefully reviewed. As I said, it seeks to revoke the conviction of Louis Riel, an event which is also part of Canada's history. In conclusion, I suggest that we take a look to see how we could implement this initiative.

• (1825)

[*English*]

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I rise today to speak to Bill C–288, an act to revoke the conviction of Louis David Riel. I acknowledge and appreciate the point of view brought forward by my colleague and friend from Rimouski—Témiscouata.

As a member of Parliament from Alberta, I am well aware of the controversial role that Louis Riel played in the political development of the west. Some historians depict Riel as a traitor who openly rebelled against Ottawa. Others consider him a father of Confederation who in 1870 negotiated Manitoba's entry into the dominion. Still others consider him the founder of western alienation movements which have protested central Canadian political and economic power.

For over a century now this historiographical debate has been raging as to whether Riel was a traitor or a martyr. I do not believe we will resolve that debate today. Having said that, I believe it is inappropriate as well as unnecessary to revisit and to rewrite our national history. Granted, some of the decisions taken in the Riel trial are questionable, but I am not convinced this bill was put forward to simply right a perceived wrong.

Thus far in the 35th Parliament, two Bloc Quebecois initiatives with revisionist undertones have been debated. First there was Motion No. 257 which set out to officially sanction at the federal level Patriots Day. On November 1, 1994 I cautioned the House that if it adopted the motion of the hon. member for Verchères we would be galvanizing support for a celebration with sovereigntist undertones.

In addition to the examples I presented to the House last November, I have since discovered another one. It is in a scene from Denis Falardeau's latest film *Octobre*. As most of us know, its production was heavily financed by the National Film Board as well as by Telefilm. At one point in the film the FLQ kidnappers of Pierre Laporte made reference to their historical and emotional ties with the Patriotes' objectives during the 1837–38 rebellion.

Now the House is debating Bill C–288. Our hon. colleague from Rimouski—Témiscouata knows full well the controversy surrounding the conviction of Louis Riel and the national schism which followed his hanging and her eloquence was a statement of that. In 1885 there was a shared minority complex between the French Canadians and the Metis people. Both groups were francophone and both groups were Catholic.

Today some members of the Bloc Quebecois are siding with francophones outside Quebec in their fight for greater rights. Since the collapse of the États généraux du Canada–français in 1968 and more recently during the Mahé case heard by the

Supreme Court of Canada, Quebec nationalists have not always stood up alongside the various francophone communities in their struggles against their respective governments. Now there seems to be a renewed sense of co–operation between the Quebecois and the francophone diaspora.

With this bill the Bloc Quebecois would more than likely win the support of the franco–Manitoban and Fransaskois communities as well as gaining some sympathy for their cessionist cause. The franco–Manitobans and the Fransaskois alike must not forget that the BQ is working toward separation. The BQ may be considered in this case a circumspect ally.

However, in 1885 the French Canadians were not circumspect allies of the Metis. They were genuinely outraged at the supposed mockery of justice perpetrated against Louis Riel.

Considered by the Metis people as a hero who negotiated the Red River colony's entry into Confederation, Riel was once again called upon by his people in 1884 to lead the newest struggle against Ottawa encroachment on their land.

Riel and his followers took up arms against federal troops. Outmanned and outgunned, Riel finally surrendered on May 15, 1885. The prisoner was subsequently transferred to Regina for his trial. On August 1, after only a half hour of deliberation, the jury found Louis Riel guilty of high treason. Under British law, high treason was punishable by death.

The conviction and subsequent hanging of Riel in Regina created great upheaval in Quebec. On November 17, the day following the execution, Honoré Mercier founded a new political party which included bleus as well as rouges outraged by Riel's hanging. The main objective of the new Parti National was to oust Sir John A. Macdonald and his cabinet. One of the Parti national's goals was to canalise and perpetuate the solidarity created among the French–speaking Canadians by the Riel affair.

• (1830)

A week after the hanging a rally at the Champs de Mars in downtown Montreal attracted thousands. The crowd gathered to express its frustration with how English Canada had treated one of its own in the west. Honoré Mercier started his now famous speech with a call for solidarity: "Riel, notre frère est mort—"

[*Translation*]

Mercier went on to say: "By killing Riel, sir John not only hit our race in the heart, but he mostly hurt the cause of justice and humanity, which, represented in all languages and blessed by all religions, appealed for clemency on behalf of the Regina prisoner, our poor brother from the Northwest".

[*English*]

Also during the rally resolutions were passed which stated:

[*Translation*]

"Whereas it is obvious that the government used this execution purely for political gain; that it coldly calculated how many ridings would be lost to a policy of clemency and justice; that as a result of these calculations, it sacrificed our brother to the hate of fanatics, allowing them to turn against one another the various races who, in this country, live under the protection of the English flag; RESOLVED: That, by executing Louis Riel on November 16, the government of sir John A. Macdonald committed an inhuman and cruel act unworthy of a civilized nation, and especially deserves the reprobation of all citizens of this province".

[*English*]

I am afraid Bill C–288 will evoke if not stir these sentiments of English Canada versus those of French Canada once again. On the eve of one of our country's most passionate debates the Bloc Quebecois perhaps is evoking controversial episodes of our national history, episodes that tore at the very fabric of our country. First there was motion 257 which dealt with the Patriots and now there is Bill C–288 which deals with Louis Riel.

Further to this discussion, Jeffrey Simpson stated in his December 20, 1994 article in the *Globe and Mail* entitled "The Liberals refuse the queue that's trying to wag the government":

> History is always being rewritten, so that the devils of yesterday sometimes become the martyrs of today, and heroes in their time often lose their lustre with the passing of years. Understanding history is critical so that the errors of the past are not repeated, but retrospective justice asks today's Canadians to pay for decisions they had no part in making.

Jeffrey Simpson is right. We must understand our past so that we may forge ahead. The hanging of Louis Riel created a great uproar all across the land, especially in Quebec. Instead of evoking controversial elements of our past, should we not as legislators be looking for solutions to today's problems?

I find it regrettable that the House is spending this time debating issues such as these. All of us as parliamentarians should be concentrating our efforts on finding solutions to present day problems. By saying this I in no way mean that we should not be proud of our history, that we should not become more familiar with controversial episodes of our national history and that we should not forget where we come from because as Donald Creighton, one of Canada's foremost scholars, argues, for a solution to a political problem to be efficient, it must be based on a sound understanding of history.

When I say the House should be debating present day problems, I mean there are so many issues, political, economic, social, of great consequence. Even my colleagues in the Bloc Quebecois would agree these are the things we should be

debating on the floor of the House instead of arguing whether Louis Riel was a martyr or a traitor. That task may be better left to historians.

Without a doubt Louis Riel is a controversial figure in Canadian history. Some consider him a traitor, others a martyr and still others consider him the founder of the western alienation movements.

Who are we as parliamentarians to revisit events which took place over a century ago and pass judgment on them?

[*Translation*]

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, it is a great pleasure to address the House this afternoon.

I think that this initiative must be carefully examined.

• (1835)

My intention today is not to bring back the past. I do not know the answers. As we know very well, there are people who question whether or not justice was served. I honestly believe that a number of irregularities were committed which clearly show that justice was not served. But let us not join the debate. Let us look at the situation today, at what people believe happened to him. That is what I am mainly interested in.

There is a great deal of controversy surrounding Riel, and I think this is not the objective we have in mind. I could identify historians who could come and tell us what they believe is the truth about Riel. They are absolutely convinced that they are right, and I suspect that they would share to a certain extent the opinion of my colleague who spoke before me. Others would tend to side with the hon. member who delivered the first speech.

So I will put all that aside for now. I would like to focus on what we know, the facts on which we can agree. For example, I think that we agree on the fact that irregularities were committed during the trial. We heard all kinds of evidence and I will not go over it again. I think that we should talk, as I did, to the Metis in Manitoba and elsewhere about Riel, because he is still a hero to them. They know, admire and respect Louis Riel, who is a symbol to the Metis and a number of other groups, including francophones, at least francophones in my region—and I am not saying that to denigrate francophones elsewhere. The fact is that we may know him a little better because we lived with him.

He was elected three times to the legislature. There was a certain amount of respect on the part of the population. Whether or not we agree on his definition of society, he worked to define and formulate his constituents' demands and objectives. He was very sincere in doing this. We often forget that he wanted Manitoba to join Confederation and not the Northwest Territories. He wanted religious and linguistic guarantees in the Manitoba Act. He looked after, perhaps mainly, the interest of the Metis, but also that of the francophones, of course, and the anglophones as well because, as mentioned earlier, he was a man ahead of his time. Even at that time, he was a man with a very keen sense of justice, a judgment like we wish we could see more often in many sectors of our society today.

On March 10, 1992, the following resolution was introduced in this House, and I quote: "That this House recognize the unique and historic role of Louis Riel as a founder of Manitoba and his contribution in the development of Confederation and support by its actions the true attainment, both in principle and practice, of the constitutional rights of the Metis people". That is what this House declared on March 10, 1992. I was there. I even spoke on this resolution. If I am not mistaken—I did not have the time to go back and check— the majority, if not the vast majority, of the members present supported this resolution. I find this very commendable.

As I said earlier, I do not intend to try to change or rewrite history, because I do not have the answers. But what I will do is look at who Riel is today. I shared with you, Mr. Speaker, and my hon. colleagues of this House what I was told by the Metis people, the francophones who know him, and the historians who studied him.

This bill calls for Louis Riel's conviction to be revoked. As I said at the beginning of my remarks, I think this is something we should take a real good look at and I suggest that we appoint a committee, with perhaps one MP from each party, to determine whether or not this is feasible. Perhaps we could—and this is my wish and my distinct preference—find unanimous consent to do so.

I will sum up with these few words in English:

• (1840)

[*English*]

Louis Riel is a hero, a symbol. He was a political personality and a leader who became a victim because of a number of situations in which he found himself. Let us not kid ourselves.

[*Translation*]

He was not treated like just any other individual.

[*English*]

We know that. We know it deep down in our hearts.

[*Translation*]

We know it very well. We know that he was a Metis and a Catholic and that he spoke French. And we know the at the time it was very difficult to be these three things.

[*English*]

I said in 1992 and I will say again that Mr. Riel was a unique person, a historical personality. He was recognized as the founder of Manitoba. He has to be appreciated for his contribution to this confederation.

I will repeat my proposal that we seek the possibility of forming a committee with at least one member from each party to see whether we can make this project a reality or come to some sort of satisfactory conclusion.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, it is a pleasure to add my comments to those of the hon. member for Rimouski—Témiscouata who introduced Bill C–288, an Act to revoke the conviction of Louis David Riel who was unjustly accused of high treason.

The man who was hanged in Regina nearly 110 years ago today has become a truly historic figure in this country. He profoundly affected the course of events in his time and continues to do so today, in 1995 as we talk about him in this House, since his memory and his efforts to defend the rights of Canada's francophones and Metis live on in our hearts and in our history. That man was Louis David Riel.

The story of Louis Riel is one of famous speeches, of noble resolutions to support human rights and of battles that made him the hero of many generations of Metis and francophones and of the entire population of Manitoba.

As you know, Louis Riel was convicted of high treason on August 1, 1885. He was subsequently sentenced to death and hanged on November 16 that same year, at the age of 41. Those are the facts, but what did this man do to be accused of high treason? What did he do to incur this conviction and punishment? The reason we are still talking about the case of Louis Riel today, after so many years, is that many people still feel he was the victim of a miscarriage of justice.

To this day, the Canadian government has never challenged the verdict of guilty pronounced against Louis Riel, despite all the manipulation around his trial. Now that the values on which the judicial system at the time was based have changed, it is high time the Canadian government made a symbolic gesture by agreeing to revoke the conviction of Louis Riel.

Many people, and I am one of them, believe that the injustice done to Louis Riel, which continues today, arose from the very nature of the charges brought against him. Even in this House, the memory of Louis Riel has given rise to many discussions and to several unsuccessful attempts to do justice to this remarkable man, in the light of the extremely positive judgment passed by history.

I am referring, for instance, to the bills tabled in September 1983 and March 1984 by the Progressive Conservative member for Edmonton East, William Yurko, the purpose of which was to pardon Louis Riel. The memory of the Metis leader did not share the fate of the two bills which died on first reading. In December 1984, the NDP member for Regina—Lumsden, Les Benjamin, made another attempt, also unsuccessful, with a bill to revoke the conviction of Louis Riel.

On November 28, 1985, the present Deputy Prime Minister, Minister of the Environment and member for Hamilton East spoke out in favour of a review of the conviction of Louis Riel. She said in this House, and I quote: "Mr. Speaker, we are now in November and one hundred years have gone by since the hanging of Louis Riel. I now ask that this Conservative Government exonerate the victim of the conspiracy of another Conservative Government". The hon. member for Hamilton East went on to say, and I quote: "Louis Riel, who died unnecessarily, deserves to be exonerated by the Government and recognized as a victim of wrongdoing".

• (1845)

The search for justice is irrepressible, hard to put down as we would say, since, in 1987, the present member for Kamloops—Shuswap tabled a new bill to revoke the conviction of Louis Riel for high treason. This bill, along with the motion tabled in November 1989 by the New Democratic member for Comox—Alberni, Robert Skelly, to recognize Louis Riel as a Father of Confederation, shared the unfortunate fate of previous attempts.

The memory of Louis Riel was finally honoured on March 10, 1992 by this House, when it adopted a motion by Conservative minister Joe Clark to recognize the unique and historic role of Louis Riel as founder of Manitoba and his contribution in the development of confederation.

The motion was to the effect that the House also take note, and I quote, "That the Metis people of Rupert's Land and the North Western Territory through democratic structures and procedures took effective steps to maintain order and protect the lives, rights and property of the people of the Red River".

With this motion of March 10, 1992, the House also took note that, in 1870, under the leadership of Louis Riel, the Red River Metis adopted a list of rights and that, based on this list of rights, Louis Riel negotiated the terms for the admission of Rupert's Land and the North Western Territory into the Dominion of Canada. These terms of admission today still form part of the Manitoba Act. In addition, the House took note in adopting this motion that, after negotiating Manitoba's entry into Confederation, Louis Riel was elected three times to the House of Commons.

More importantly still, the House took note that, in 1885, Louis Riel paid with his life for his leadership in a movement which fought for the maintenance of the rights and freedoms of the Metis people. This was a clear affirmation, with no hint of criticism of the deeds of Louis Riel, quite the contrary. Lastly, the motion noted that since the death of Louis Riel, the Metis people have honoured his memory and furthered his purposes in

their honourable striving to have us respect the rights for which he so dearly paid.

A little closer to home now, the current member for Saint–Boniface, the riding in which the body of Louis Riel is buried, would go even further and would demand that we recognize the Metis leader as one of the "Fathers of Confederation".

If Louis Riel has remained a hero for so many generations of Quebecers and Canadians, it is because of the reasons listed earlier and officially recognized by the House of Commoms. This House must be consistent in its own decisions and admit that it cannot recognize Louis Riel's role as founder of Manitoba and his contribution to the development of the Canadian Confederation, while still tolerating that his conviction for the offence of high treason stand.

Riel was not convicted of murder, theft or vandalism. He was convicted of high treason. But how can a traitor later be recognized as the founder of one of the provinces of the country which convicted him? If he was even guilty of any crime, might I suggest that he was probably convicted of the wrong indictment for the wrong motives. We must therefore do him justice and revoke the conviction of high treason which continues to taint his memory.

This is not rewriting history. This is simply repairing, in the light of historical facts themselves, an injustice done to Louis Riel. We must avoid giving the issue our attention only when it is convenient to do so, given popular opinion on the matter. By the same token, we must also avoid glancing selectively at the life of Louis Riel, retaining only the points which would allow us to make a hero out of him. Louis Riel cannot at the same time be both traitor and hero.

As long as this historic paradox is not eliminated, members from all parties, perhaps even Reform members, will rise in this House to ask that we put an end to it. I am hopeful that, some day, justice will be done for Louis Riel. As we know, this issue goes far beyond ideological and partisan considerations.

On February 28, the president of the Ukrainian Canadian Civil Rights Association, Mr. Gregorovich, sent a letter to every MP, asking them to support this bill. As Mr. Gregorovich pointed out, this legislation does not seek to grant a posthumous pardon to Louis Riel, but simply to strike down the conviction of high treason.

• (1850)

It is in that spirit that I ask for the unanimous consent of the House, so that this bill can pass second reading and be referred to the Standing Committee on Justice and Legal Affairs.

The Acting Speaker (Mr. Kilger): Is there unanimous consent of the House to pass the motion tabled by the hon. member for Verchères?

Some hon. members: Yes.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): Order. There is not unanimous consent. Resuming debate.

Since no other member wishes to take the floor, and since the motion will not be put, the period provided for the consideration of Private Members' Business has now expired and the item is dropped from the Order Paper, pursuant to Standing Order 96.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

SMALL BUSINESS

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, my question is for the Minister of Industry.

The Canadian Federation of Independent Business in its research paper and report on barriers faced by women business owners concludes that banks and lending institutions promote a double standard in their lending practices. This report points to a higher loan refusal, higher interest on the loans acquired and greater differential between capital applied for and capital accessed for women when compared with men who own businesses or male–female co–owned businesses.

The prejudice on the part of the lenders does not match up to the reality of the women in small business. Because of careful attention to detail, careful planning and tenacity, women are known to have a higher success rate in business start up and lifespan than men.

The CFIB as part of its research polled its 85,000 membership. It found that of the nearly 11,000 responses, 68 per cent were male who owned a business, 25 per cent were co–owned but only 6 per cent were solely owned by a female. These numbers in and of themselves mean very little until compared with the exploding number of women entering solely owned proprietorships.

Since 1981 the number of women owned businesses has nearly doubled from 323,000 to 639,000 in 1994. Current projections place the number of women business owners at 680,000 by the year 2000. This is not a fad that will end with the women of this country being silenced by the pistol whipping of bankers. It is a revolution born out of necessity being a response to changing family structures and an increasing sense of independence.

What is needed is either a change in attitude by the money lenders to accommodate this projected rapid growth, an increase in the number of banks and credit unions which cater exclusively to the needs of women entrepreneurs, or an intervention by government to ensure equality.

It would appear from the CFIB report that in spite of the inroads accomplished by women during this century, the banks have refused to wake up to modern realities and still consider women a bad loan risk even before they apply. This is a handicap that must be eliminated if small business is to continue to be the main engine driving our economy and if Canada is to continue realizing its full growth potential.

In the face of this apparent discrimination, what is the minister prepared to do to ensure a level playing field for the sector of our business community which is proving itself to be self–sustaining and very successful?

Mr. Maurizio Bevilacqua (Parliamentary Secretary to Minister of Human Resources Development, Lib.): Mr. Speaker, I am pleased to respond to the question.

The growth of entrepreneurship in the Canadian economy has been remarkable over the last decade. The number of self–employed women has also grown at over three times the rate of business formation by self–employed men. Today there are more than 600,000 self–employed women, representing over one third of all self–employed in Canada.

Women entrepreneurs tend to be more reliable credit risks since they are less prone to go out of business than men. They should therefore be considered more dependable from the perspective of banks.

Despite this, the Canadian Federation of Independent Business study, to which the hon. member referred, indicated that women continue to face greater obstacles to financing than men.

A recent study by Statistics Canada suggests that while there is no systemic discrimination against women entrepreneurs, they tend to operate businesses in higher risk sectors. In those sectors both male and female entrepreneurs face substantially similar obstacles to financing.

Let me give some concrete examples of what the government has done. The Federal Business Development Bank is committed to helping women. About one third of FBDB loans are made to businesses with 50 per cent or more female ownership. FBDB designs seminars and conferences especially for women; 500 women attended these last year.

The government has been improving access to financing for small business. Lending under the Small Business Loans Act has increased by more than four times in the last two years. We are pressing the banks to increase lending to small businesses. They have taken some steps to improve their services to small business. We will continue our efforts to ensure all entrepreneurs have easier access to financing so they can start, grow and prosper.

[*Translation*]

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38, the motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24.

(The House adjourned at 6.57 p.m.)

HOUSE OF COMMONS

Friday, March 24, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1995–96

The House resumed from March 20 consideration of the motion that Bill C–73, an act to provide borrowing authority for the fiscal year beginning on April 1, 1995, be read the third time and passed.

Mrs. Daphne Jennings (Mission—Coquitlam, Ref.): Mr. Speaker, I appreciate the opportunity to speak on the government's overall fiscal plan.

The budget which deals with raising money and how it is spent and the borrowing powers which make up for the shortfall in revenue go together to make up the government's fiscal plan for the coming financial year. At least that is how an economist might explain it.

In reality, there is no plan to reduce the deficit to zero allowing us to address the country's mounting debt. The budget falls short of pointing out the means by which Canada is to get to ground zero: zero deficit.

As well, the borrowing bill, which has been and is the subject of debate in this Chamber, is usually explained as necessary to make up for the shortfall in revenues, revenues being less than expenditures. In reality the money borrowed has nothing to do with the shortfall in revenues. It is the failure of the government to cut its expenditures which necessitates a borrowing bill of this size.

This is a failure that will haunt us for years to come, for if ever there was a time when the people of Canada were ready to see tough decisions made and leadership shown, it was on February 27. However, the government, afraid that its standing in the polls might suffer, took the tried and true Liberal way out. It put off tough decisions for another day. If it puts these decisions off for more than three years, they will not be this government's decisions to make.

The budget can be compared to a bad science fiction novel or movie. It is lost in time; it is lost in space.

It is lost in time because it comes a year too late and proposes some tough measures, but even they are to start only next year and are phased in over a number of years. If they had begun this year and not been phased in they would have substantially reduced the deficit. This is a major complaint.

It is lost in the broad space or expanse of Canada because it does not meet head on the problems of our economy. It seems to be a classic case of misunderstanding the mood of the people of Canada with this budget.

The space in history, the history of making tough decisions was there for the finance minister and his merry band of followers from the finance department to enter but they declined. They chose instead to nibble around the edges of the problem rather than meet it with courage and a plan for the future.

This is not the type of budget we in the Reform Party would have brought down. This is not the type of fiscal planning the Reform Party could have entered into. It is for these fundamental reasons that I cannot support this budget or any of the bills that flow from it.

What then does the budget do? It raises taxes. The finance minister made grand gestures of self–congratulation for not raising personal income tax. Yes, he is right. He did not.

Instead, he imposed a tax increase for gasoline, a commodity consumed by Canadians rich or poor. As well, changes were made to RRSP rules so that those who receive severance packages when they leave their employment will only be able to contribute $2,000 to an RRSP instead of the current $8,000, harming their future plans for retirement.

• (1005)

The timing is off here as it is with the rest of the budget. Canadians are now entering an era when they are concerned that private pension plans or even the Canada pension plan will not meet their retirement needs.

The rate at which the $40 billion Canada pension plan is deteriorating surprises even those who researched and wrote the 15th statutory actuarial report which was recently tabled in the

House of Commons. The last such report was written and tabled five years ago. Between then and now the report author found that two of the primary reasons for the deterioration have been a doubling of the number of disability claims and a lowering of contributions because of job losses during the recent recession.

As a leading financial adviser and retirement specialist from Vancouver stated recently: "I now look at CPP in the same way that I view UI. We all pay it but many of us will never collect it".

Will the Canada pension plan still exist for baby boomers as they begin to retire 15 or 20 years from now? The chances of CPP as we know it today surviving that long are very slim. I suggest there are none. This reality caught our attention last month when the Liberal government actuarial report concluded that if CPP contributions are not increased and benefits continue as now legislated, the plan which today supposedly contains just over $40 billion will be gone by the year 2015.

This is not only a boomer issue. The future of CPP will have a greater impact on the generation Xers who are destined to struggle in the wake of the baby boomers for at least half their job seeking and working lives.

At present five Canadian workers support each retired CPP collecting pensioner, with middle age boomers making up the majority of today's workers. However, by the time boomers start to collect CPP there will only be two to three workers to support each pensioner. Will the generation Xers, who are having it tougher economically than their boomer parents, be willing or able to pay a lot more in CPP contributions to support their parents' public pensions?

If the government had seriously addressed this year's budget and made the necessary cuts, then Canada could be on the road to recovery and the future for our future senior Canadians would not look so bleak.

Canadians were looking for a tougher budget. If over the last 25 years governments had been responsible, if thousands of dollars had not been given away in unnecessary grants which have already been talked about in this House, if new programs such as multiculturalism had not been devised to initiate help to groups of people who have always been strong enough in their feelings and respect and pride in their distinctive culture to establish and fund their own commemorative centres and festivals, if the past governments had managed the taxpayers' hard earned dollars, their tax dollars instead of mismanaging them, and if the present government would seriously look at cutting programs which drain our resources and seriously cripple the government's ability to maintain necessary seniors programs, the government would not be so desperate to raise more revenue on the backs of those very Canadians who trusted the past Liberal and Conservative governments to spend those tax dollars wisely.

Mr. Speaker, I am beginning to think I am in front of one of the chatty classes I have had over the past 30 years.

The government had an opportunity to put in force measures which, although tough, would actually help the taxpayer and not increase taxes, or revenue in the form of more taxes. However, that is not the case.

What does the government do to collect a little more revenue? It changes the RRSP rules, another hidden tax. If we think that is bad, how about this? Lessen the payouts for unemployment insurance but not the premiums because the government wants to build up a surplus. Unemployment insurance is a payroll tax and by not reducing premiums, another hidden tax is involved. However, this tax—

The Acting Speaker (Mr. Kilger): Order, please. I wonder if I could ask the co–operation of the House to allow whoever might have the floor the opportunity to be heard. Certainly, I am beginning to encounter some difficulty in hearing the member.

While the hon. member for Mission—Coquitlam still has two minutes remaining in her time, I wonder if she could clarify for the Chair whether in fact she will be splitting her time with a colleague.

Mrs. Jennings: Mr. Speaker, yes, I will be splitting my time. I should have mentioned it beforehand. Thank you for trying to bring a bit of order back to the House.

• (1010)

The government has raised corporate taxes and imposed a tax on bank profits. Who does the government think will pay for these taxes? Maybe it does not know. I can tell everyone these taxes will be paid by the little guy, the consumer. Anyone who believes they will not be passed on to the consumer should immediately sign up for a reality check. There is only one taxpayer: the ordinary taxpayer like you and me.

It is my belief that the tax increases we have seen in the budget are an admission of failure by the government, failure to cut spending sufficiently. Above all, why would the government assume people are willing to go on through a tax increase, paying more for more government? Was the government not listening to the people of Canada? It cannot ignore the people for too much longer.

I am concerned about the long range effect of this budget. While the deficit reduction contained in it amounts to a first tentative step in the right direction, this reduction will be quickly eliminated if interest rates rise or the dollar does not remain strong. If we enter another economic downturn, all calculations will be off considerably.

I am concerned the government will not follow through on its plans to reduce personnel. No matter how governments try, and many have, to reduce the size of the public service, the bureaucrats seem always to prove more resolute in keeping their jobs than politicians are in getting rid of them.

Departments disappear or are amalgamated, but is there a reduction in staff? Not usually. If it does occur, it is usually because the public servant found another public service job in another department. There is no real reduction. We will be watching the government closely to see that it meets its reduction target.

What would the Reform Party have done in these circumstances? Unlike prior opposition parties, people actually do know what we would have done. We set it out quite clearly in the taxpayers budget. The taxpayers budget sets out exactly what we would have cut as far as programs are concerned.

By not following the Reform Party's plan, over $50 billion will be paid to service the national debt in 1996–97. The government's target of having the deficit lower than 3 per cent of the GDP is just nonsense. Either we have a deficit, or we do not. Either we believe it should be eliminated, or we do not.

We believe every effort should be made in the next three years to eliminate the deficit. Once the deficit is eliminated it allows us room to move, room to explore programs that would open up new doors for business and industry. More money would be put back into the economy.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I listened carefully to the speech of the hon. member and I think that she certainly deserved our attention, as do all the other members of the House.

She spoke briefly about unemployment insurance, and it is on this subject that I would like to comment and ask a question.

In its budget, the government established a human resources development fund from the surplus that will be generated in the unemployment insurance fund. Does the hon. member not feel it would have been a much better idea to consider a quick reduction in unemployment insurance premiums so that both individuals paying their own premiums and business could enjoy the savings right away and put this money back into the economy? Does she not feel that approach would have a more immediate direct effect on employment than an artificial fund created solely to enable government to get around jurisdictions and intervene in a whole lot of areas under provincial jurisdiction?

Does all of this not strike the hon. member as a course of action that runs contrary to the federal government's fine words about really intending to reduce the size of government? Is it not actually going to increase intervention by the federal government in areas of activity that are not in its jurisdiction and where it has proven to be ineffective?

[*English*]

Mrs. Jennings: Mr. Speaker, I would like to thank the hon. member for his question although I am surprised he heard anything I did say. I was having difficulty.

I must tell the hon. member the UI program should be exactly what it was designed for when it was first brought in. It is for temporary job loss. It should be sustained by the employees and the employers and only those people. I strongly think there should be no artificial fund. The size of government should be cut down.

• (1015)

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I was listening to what the Reform member was saying, and I did not have much to add until she made her last point on the topic of the debt. Although the government is dealing with the debt, the way it is doing it is not to her liking. I agree with her. But, I have the impression that the Reform Party takes the following position: any person in debt will have to starve for the next three years.

That seems to be the case, and that is what I am having trouble understanding. Of course, we can cut year after year and try to reduce the debt, strive to reach the three per cent benchmark, but we cannot say, tomorrow, that we will stop eating. I would not be able to keep working, I would not earn very much and I would not be able to pay very much either. I would be interested in hearing how her draconian cuts would reduce over the next three years the some $30 billion deficit we have now and which is mostly caused by the debt, and I agree with her in principle that it must be done. But I would like to know more about her starvation ideology.

[*English*]

Mrs. Jennings: Mr. Speaker, I thank the member who raised those interesting questions; certainly questions that boggle my mind.

If he would like a real in depth explanation he can get our alternate budget and it would certainly explain it.

There have been a lot of remarks in the House suggesting that people who suggest cutting things are mean, or lean and mean, or are miserable people, or do not care about anyone. I am sick and tired of this. This is a lot of nonsense.

The only way we will ever help anyone, the only way we will sustain medical health for the country, the only way we will help those destitute, those people who need the help, is to stop those who are taking who do not need it. We have to get serious.

No one knows any more than I do. I have been through serious problems. Fortunately I had enough strength to pick up and help myself but others around me were also there to sustain me. Never did I blame anyone for what had happened. I tried my best.

People have to be responsible. Those who cannot we have to help. The bottom line is if we do not get this deficit and debt in control the country will not be able to help anyone. We had better stop laughing about it and get serious.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I am pleased to stand today in what is a very solemn debate. We have been talking on and off about the budget since the Minister of Finance introduced it in the House. We need to begin very seriously asking questions on what is wrong and what we can do to correct it. It is time to lay aside the meaningless rhetoric and deal with reality.

One of the flaws in the thinking of governments past is they have assumed that deficit budgets are okay. In the next few minutes I would like to talk briefly about the urgency of reducing the deficit in order to stop adding to our debt.

A lot of Canadians are not well informed on the budget. A lot of Canadians are of the impression that because there are these cuts our debt is going down. That is not the case at all. Our debt is increasing.

I am not going to say we ought to stop decreasing it this year but we have a soft target which allows the debt to go on and on, even with this present plan if the government meets its stated goal, which the minister has said it will do. He has a neat little couplet which is normally not in my vocabulary. He said they will meet the budget deficit targets.

• (1020)

That is great, but what after that and where are we headed in the long run? I often say that Wayne Gretzky is one of the greatest hockey players but not because he knew where the puck was, not because he knew where it was going, but he knew where it was going to be. He has an uncanny ability to be at the right place. That was because he is able to think ahead. We need to start on behalf of Canadian taxpayers seriously thinking ahead.

Peter Cook in the *Globe and Mail* just before Christmas said: "Our government problem is that we have politicians that have ignored deficits and debts for too long and even now put forward inadequate solutions. Rising rates make it less easy to postpone the inevitable. The level of government in Canada is simply too large for the private sector to support and must be cut back to what is affordable, and the sooner the better".

I ask all listening to consider what wealth is. From what do we derive our standard of living in Canada, which we all enjoy bragging about so much? If we were to ask that question we would realize that primarily our wealth derives from the transformation of our resources into goods that are saleable around the world to ourselves and also to others.

Furthermore, we have people who provide certain services. For example, when I go to the dentist, the amount of material he uses is very small but I benefit greatly from his skill in fixing the problem I have with my teeth at the time.

We have these benefits that derive from creation of real wealth. No matter how you cut it, when we have a large burgeoning government, that is mostly a drain on the production of our wealth.

I admit there are areas where what government is doing is necessary. We have the transportation network probably most efficiently done by government. There are other things which government can do well, but it is not accurate to assume without challenge that unless government is doing it, it will not be done. I resent greatly the implication that the Reform Party's plan will make things worse for so many Canadians. That is not true. Our plan is to stop paying so much interest so that we have more money available for the things we value highly.

Why the hurry? I did a little spread sheet on our present fiscal situation and I took our current debt and I extrapolated it using a very simple assumption. This may not be accurate because we do not know what the future holds. I assumed an 8 per cent rate of interest and I assumed a 3 per cent growth in our economy, both of which are assumptions anyone can make but no one could really defend because we are not able to accurately predict the future.

Who would have ever guessed in the mid 1970s that the interest rates on mortgages would go from 6.5 per cent to 16 per cent? That was not predictable.

When we talk about our debt it is true that if the interest rates rise dramatically, we are captives. There is not a thing we can do about it; neither for our internationally held debt, nor for our domestically held debt because everybody who has lent Canada money will want it back or we will totally blow our credibility.

It is mandatory that we get our debt and deficit under control because with the government's plans, using the assumptions I have stated, 3 per cent growth, 8 per cent interest, by the year 2010, which at my age is right around the corner—when you get to be over 50 the years just fly, 15 years is nothing—our debt will have grown to one trillion dollars. Our annual interest payments, assuming interest is still then only at 8 per cent, will be $80 billion per year. That is $80 billion taken out of the economy just for interest. This is money that will not be available to help poor people, to provide health care and education.

• (1025)

One may ask what the big deal is on this. I did a little calculation and found if our total expenditures were to be brought down rapidly we would very quickly be able to pay off the debt. In other words, if we were able to reduce the rate at which we are adding to the debt to zero, we would call that elimination of the deficit, we would simply stop borrowing. Our plan calls for doing that in three years. If we could reduce the

debt, our interest payments would go down instead of continuing to escalate, which is so important.

We must remember it took the Liberals only 10 years approximately to increase the debt to $100 billion in the 1970s. However, according to the plan we have before us, it will take them only three to four years to add another $100 billion to the debt.

The plan the minister has presented will increase the debt by $100 billion in the next three years. That is not acceptable. It is a premise we reject and it is one which I think all Canadians should be very concerned about, particularly members of the House.

I would like to quote what was said to me by a voter, a taxpayer, from Edmonton Northeast. When we were discussing these things he said to me: "Where were our leaders in the last 30 years? Surely there are experts in the Department of Finance in Ottawa. Surely there are politicians who are businessmen who could think and see what was happening when they were presuming on the future with this borrowing way back then. What was it that motivated them? Where were they? What were they thinking?"

I challenge us all to start thinking right now.

[*Translation*]

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, I listened very attentively to the comments made by my colleague from the Reform Party and I would like to tell this House that the difference between the Reform Party and the Liberal Party is that the former apparently wants to make cuts and take away from this country's middle class and low wage earners, while the latter have hesitations. They do not know whether they should make the wealthy pay more taxes. They do not dare.

During the last recess, I had the pleasure of meeting with one of my constituents, a wise old man, who told me that the rich will end up paying for the deficit because the middle class is overtaxed and the poor do not have any more money. The question I want to ask my colleague is this: Does he not believe that the time has come to collect the money from those who have benefited the most from this system in the last 30 years, namely Canadians and Quebecers who have money today and do not pay their fair share, by taxing them?

[*English*]

Mr. Epp: Mr. Speaker, I am going to surprise my hon. colleague by saying I agree with him, there should be a fair tax system.

The Reform Party has said all along that our taxation system should be fair. We believe in a flat rate tax. We think it is certainly reasonable that if a person makes twice as much money he or she should pay twice as much tax. However, the real problem is one of spending.

When we look at what the Liberals have done in terms of the budget, which is what we are debating here, talk about a tax grab from the middle class, the poor and basically from everyone which is being given on the fuel. They tell us a 1.5 cent per litre tax. That is inaccurate. It is a 1.605 cent tax per litre because what we are forgetting is that on the tax is added the GST.

• (1030)

The present government likes taxes on taxes. I did a little calculation. Let us say I want to buy $1 worth of gasoline. I have to earn $2.78 in order to buy it. When I earn $2.78, $1.11 is income tax, leaving me with $1.67. Then I go to the pumps and 67 cents is needed for gasoline tax and I am then left with $1 of gasoline.

When I buy $1 of gasoline and pay $1.78 in tax that is a tax rate of 178 per cent and that applies to everybody, the rich and the poor alike. Everyone who benefits from our transportation system and everyone who drives to work pays that tax. That is a tax grab on the poor as well.

We think taxes ought to be reduced in total. Income tax should be a flat rate tax which is fair. All the areas in which people can avoid paying their fair share of taxes should be reduced.

[*Translation*]

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Mr. Speaker, I wish my hon. colleague from the Reform Party would take the good news to his party because, for the past 15 months, all we have heard the Reform Party suggest is that we continue to deal with the deficit and debt problem on the backs of the workers, the unemployed and the disadvantaged.

As for tax fairness, I would say this is another piece of good news he could pass on to his colleagues because every initiative put forth by the Bloc Quebecois at the finance committee to eliminate unfair advantages flowing from family trusts, to eliminate all those inequities in the tax system that have enabled very high income earners as well as large corporations with large profits not to pay a cent in taxes since 1991, every time we have come up with such an initiative, the Reformists have voted against our proposal.

So, before claiming that they want tax fairness, before claiming that they want to restore fairness in the tax system, I think that the hon. member should go back and check in his party what his party really wants.

[*English*]

Mr. Epp: Mr. Speaker, actually I do not need to check with my party. What I said today I got from my party. I think people have not been listening or have not been hearing. We promote tax fairness. We promote reduction of taxes by reducing government expenditures.

There is an important assumption that we must challenge. I believe both members of the Bloc and the Liberals go on the assumption that if the government does not fund it then it will not be done.

If the member were to examine our proposals in detail, he would find that working people are much better off under our proposals than they are under this one. We reject the supposition that it is efficient to send half of our money to Ottawa and there allow politicians and bureaucrats to divide it up and decide who is eligible to get it back.

We are saying that we need to bring back the sense of independence and self–sufficiency which is ultimately best for everyone, particularly the working class.

[*Translation*]

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, it is always a pleasure to rise when you are in the Chair. I believe I have 20 minutes. You will understand that I want to make sure that this is indeed the case.

I am pleased to participate in the debate on the borrowing authority and, consequently, on the budget. This is the second Liberal budget and we must keep in mind the truly disastrous economic context which affects the unemployed. Once again, the Minister of Finance did not provide anything for the 1.4 million jobless. This budget is particularly unfair to Quebec, primarily because no concrete decentralization measures are proposed. There is no indication of a willingness, on the part of the federal government, to transfer to the provinces fields of jurisdiction which, in many cases, the provinces would be better able to look after.

• (1035)

In the case of Quebec, there is of course the issue of manpower training. As you know, there is a very strong consensus in Quebec, which includes chambers of commerce, unions, as well as the Quebec government. They all agree that Quebec would be better served if its government looked after manpower training which, as you know, is one of the links between social and education policies.

Yet, there is nothing in the budget that leads us to think that the federal government wants to fulfill the commitments it made earlier. As the hon. member for Saint–Hyacinthe—Bagot said repeatedly, this budget is unfair. It is unfair because nothing is done about family trusts. In this issue, the government acted somewhat like Star Trek, in the sense that it announced a measure, but "beamed it up" or rather beamed it forward to some time in the future.

Indeed, it was announced in the budget that the rules governing family trusts would be reviewed; however, the changes will take effect just before the year 2000. What is a family trust? It is a despicable scheme which legally allows a number of wealthy people to avoid paying taxes by using a truly outrageous provision. Yet, nothing is provided in this budget to tackle the problem.

It is also an unfair budget—this has been pointed out repeatedly but it does not hurt to say it again—since farmers in Quebec will lose $32 million, especially dairy producers, a sector which has undergone major consolidation at the instigation of the various governments we have had in Quebec in the past ten years. It is an unfair budget because farmers and dairy producers will lose $32 million, while western producers will receive an additional $2.9 billion.

One of the worst aspects of this budget, and this is one of the areas where the Reform Party and the Bloc Quebecois agree, is that it fails to provide anything in the way of tax reform. Take the banking sector. When we look at who benefited most from the 1982 recession and the subsequent recession, it is clear that the banking sector finished first. The big chartered banks in this country with their many branches across the country have made absolutely outrageous profits during the past few years. And they are the only ones that managed to emerge unscathed from the first and second recession.

Mr. Speaker, do you think the government would have had the guts and the social conscience to tax the profits and capital gains of the banks? Of course not. And that is probably the true measure of this government. A modest tax of $100 million is peanuts. Just look at the banks' profits in 1993–94 alone: $1.2 billion. That being said, we are convinced that the government could have asked the chartered banks in this country to contribute more.

What does the government do? It asks for a piddling $100 million, when the Royal Bank alone, the open–minded bank, made a profit of around $1.2 billion. The government could have asked the banks to contribute more, but it did not. Of course, one does realize there is a definite connection between the financing of certain political parties, and I am not naming any names but I am looking at them, and this timid treatment of the banks.

Another issue that gives cause for concern and which people are worried about, and no wonder, is transfer payments to the provinces.

• (1040)

The issue of transfers to the provinces, as you know, Mr. Speaker, is absolutely central, because it has to do with the balance of relations between the central government and the provinces. It is therefore an absolutely vital issue. Three characteristics are identified with respect to federalism, Canadian federalism, which some of your pages are studying in political science courses across the country.

It is a two level form of government, usually with a central government and a lower level of government, which could be provinces or townships, but there are two levels of government.

It is a system with a constitution providing that the governments are autonomous in all jurisdictions under their authority. A court, in this case the Supreme Court, acts as arbiter in these matters. Why am I saying all this? Because provincial transfers have been and remain the central government's traditional method of destabilizing provincial public finances.

How do you think individual provincial ministers of finance can manage to plan and establish coherent economic development policies, if the central government destabilizes public finances in every province by reducing transfers out of hand, unilaterally and without consultation? Allow me to give you some specific figures in this regard. The federal government will cut $2.5 billion in transfers to the provinces in 1996–97 and $4.5 billion in 1997–98.

These are not insignificant amounts and this will have a major impact on the provinces' ability to plan. In the case of Quebec, transfers will be cut by $700 million in the coming year. This means that Quebec will shoulder 27.1 per cent of the total cuts, whereas it has 24 per cent of the population. Things will not improve in 1997–98, because it will then have to shoulder $1.88 billion in cuts to transfer payments.

What is shocking in all this, and this is where the connection must be made, is that the present cuts to the provinces will obviously be on top of what has been cut since 1982. If you add up all the cuts in transfers to the provinces from 1982 to 1998, you will discover, hon. colleagues, that the provinces will be facing a shortfall of $48 billion. Therefore, Mr. Speaker, you will understand that this way of doing things goes totally against harmony in the federal system.

In any case, and the Government of Quebec is not the one saying so, two premiers from the west who, after reading the Martin budget, declared that it was the death knell for Canada, because there is no way for the provinces to develop coherent economic development policies if the federal government keeps on shamelessly cutting transfer payments. As we all well know, transfer payments are not something theoretical, not just rhetoric; they directly affect the provinces' ability to provide health and education services, and these services are at the heart of our citizens' quality of life.

However, I will focus my speech today on the pitiful trick played on the unemployed. The history annals of Canadian federalism for the early 1990s to the year 2000 will tell the story of the slow and despicable dismantling of the unemployment insurance system. Please remember that unemployment insurance is the only social "insurance" program offered by the Canadian government, "insurance" as opposed to assistance, that is, meaning that workers and their employers share the cost of the unemployment insurance system.

• (1045)

As you all know, in 1990, the Canadian government went as far as completely stopping its contributions to the unemployment insurance fund. This means that, as I speak, Canada is the only western country with an unemployment insurance system where the government does not contribute to its UI fund. This means that virtually all of the benefits paid out to workers are paid for by the work force and their employers.

We must acknowledge the fact that Canadian workers are in mourning. They have been since 1990, because from that point on Conservative and Liberal governments alike have derived a sadistic pleasure from dismantling the unemployment insurance system.

I would just like to remind you of what governments past have done, without, of course, forgetting the Chrétien government, which, led by the Minister of Finance, has disgracefully ganged up on the unemployed.

It all began in 1990 with Minister MacDougall, who dealt the first blow, who made the first attack on the unemployment insurance program. You will recall that in 1990 when the government decided that it would no longer contribute to the unemployment insurance fund, Mrs. MacDougall proposed an increase in the minimum qualifying period and a reduction in the maximum benefit period, with the overall result that, for the first time, a government reduced by 10 per cent its costs of financing the unemployment insurance program.

Not content with this initial assault on the program, in 1993 Mr. Valcourt—whom the voters, thankfully, did not re-elect—came back to the charge and lowered benefits from 60 to 57 per cent of insurable earnings. Remember that in the 1970s, benefits were at 70 per cent of insurable earnings. Now they have dropped to 57 per cent and are often below the poverty level. This is a disgrace.

What does this mean financially? Cuts in benefits of $850 million in 1993 and $1.6 billion the year after. The Liberals are obviously no better than their predecessors. And this is why the Bloc Quebecois has always said that, red or blue in Ottawa, the future is black without the Bloc. What has the Martin budget done for unemployed Canadians in 1994? Increased the minimum qualifying period and reduced the maximum benefit period. And we are not talking about 57 per cent coverage, but about 55 per cent. In 95 per cent of cases, we can expect claimants to get 57 per cent of insurable earnings. This is the kind of social solidarity that this government has decided to have with the unemployed. Did you think that the finance minister was going to stop there? Certainly not. The budget that has just been tabled talks about cutting benefits by $750 million in 1996 and 1.5 billion the following year.

In the early 1940s, UI was intended as a generous program on which all the provinces agreed. It was the first amendment to the Canadian Constitution. Look at what happened to unemployment insurance under the repeated attacks of the Tories and the Liberals. UI has become an exclusion program. In fact, the UI account, which posted a $3 billion deficit in the 1990s, will show a $5 billion surplus at the end of the fiscal year.

One would think that this government would have done the right thing, that it would have shown enough solidarity to use this $5 billion to create and maintain jobs for the unemployed. No, this government shamelessly attacked the unemployed. It will arrange for a surplus to be deposited in a deficit fighting reserve fund, although funding of the UI account does not have anything to do with the government's ongoing operations. The Liberal government has appropriated the Tories' shameful legacy.

• (1050)

Allow me to make a final point. We would have expected the Liberals, in accordance with the red book, to put forward defence industry conversion measures. As we know, 10,000 jobs are threatened in the coming days. That is no secret; it is a well–known fact. Both the aerospace industry and the provinces demand defence conversion measures. This demand is not exclusive to Quebec. What conversion measures did the government take? It did not put forward any concrete measure.

It is unable to plan for the future and use its leverage to help workers. There is no vision. This is an attack against the unemployed. That is why we have no qualms about presenting the golden raspberry award to the Minister of Finance for all he has done.

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I realize that my hon. colleague from the official opposition would have needed more time to deal fully with the subject at hand. Nevertheless, I appreciated his hint at the government's failure to keep its word with respect to defence industry conversion. As we know, in my riding of Lévis, MIL Davie's shipyard suffered greatly from the government reneging on its promises, with nearly 2,000 jobs lost last year.

My question will not be on this. Instead, I would like my colleague to give me his thoughts on the Minister of Finance making cuts last year to the Unemployment Insurance Program to reach the financial targets set in his budget, and using the $2.5 billion surplus generated by these cuts to reach his targets. I would like his to tell me: is it right for the Minister of Finance to hit on the disadvantaged to reach his financial targets?

Mr. Ménard: Mr. Speaker, you will have noted our colleague's high degree of social concern from his question and I want to thank him for it.

I think that, if we were living in a normal country, a country committed to showing greater solidarity with the workers, the government would have taken this money and used it to implement full employment policies. What is dishonest about the government's decision is that it gives the impression that cutting UI will reduce this government's debt, when in fact, since 1990, the government has nothing to do with UI, except for administration that it does not pay for naturally.

I think we should consider, and urge a number of organized bodies such as the labour movement, with which I understand you are rather closely associated, to consider legal action to have the courts overturn the government's decision to withdraw from the financing of UI while at the same time continuing to deprive workers of services to which they are entitled.

I think that, all together, in this House, we should try to figure out if these shameful and unacceptable measures could not be invalidated through legal action.

Mr. Laurent Lavigne (Beauharnois—Salaberry, BQ): Mr. Speaker, I listened with interest to the comments of the hon. member, who gave a good presentation on the Minister of Finance's budget, and who clearly showed that there is a world of difference between the Liberals in opposition and the Liberals in office. I am reminded in particular of Expro, a company in my riding which needs technical and financial support for its conversion. When the Liberals formed the opposition, they were adamant that conversion was the way to go, and they urged Mr. Mulroney to set up a conversion program.

• (1055)

The hon. member made an in–depth review of the Martin budget, and I would appreciate his comments on the discrepancy between the budget and what the Liberals said they would do when they sat in opposition.

The Acting Speaker (Mr. Kilger): Before resuming debate with the hon. member for Hochelaga—Maisonneuve, I may remind the House that members should refer to a minister by his title. For instance, we should say "the Minister of Finance, the hon. Prime Minister", without giving their last name.

Mr. Ménard: Mr. Speaker, some team, some question, would you agree? The opposition is in fine fettle.

That being said, I think the hon. member mentioned that the government had the perfect vehicle for setting up a defence conversion program. That vehicle is referred to in English as the DIPP.

The DIPP is the Defence Industry Productivity Program. In the eighties the program had a budget of about $300 million. The Liberals have emasculated the program to the point that next year, its budget will be only $21 million. Actually, the Federal Office of Regional Development, the Department of Industry and the Montreal Urban Community have set up a joint task force which is to make specific recommendations on defence conversion. With the modest sum of $25 million, it would have been possible to conduct market surveys and help businesses

that are involved in defence production to go the route of conversion.

In conclusion, I will say that, in the end, defence conversion is a matter of political will. Today we have the tools to make this happen. However, this government is acting in a very hypocritical way, and speaking out of both sides of its mouth.

Do not despair, the opposition will be there to remind the government of its promises, and we will keep up the pressure on this issue.

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, present–day Canadian federalism is a dead end sheet. In the year 2000, the cumulative deficit will be $800 billion, and Quebec Premier Jacques Parizeau said not so long ago that it was high time for Quebec to get out of this system, and that if Quebec decided to stay, their taxes would go up.

In his presentation the hon. member gave us a very clear picture of the current situation. What he said this morning is exactly what all Quebecers are thinking.

Is it not time for Quebecers to consider getting out, to consider doing what the Premier of Quebec suggested?

Mr. Ménard: Mr. Speaker, I can only applaud the clairvoyance of the hon. member for Shefford who has an uncanny knack for predicting the future.

What the hon. member is saying is that in the eighties, when we went through the first referendum, scare tactics were used. Remember that at the time, the federal debt was $75 billion. They told us: If you leave the Canadian federation, you will end up with an economy that is not viable.

So we stayed. We stayed, and now we have a debt of $600 billion. What the hon. member is saying is that Quebec has everything it needs, together with its own economic infrastructures, to administer its own finances.

The Speaker: My dear colleagues, it being 11 a.m., pursuant to Standing Order 30(5), the House will now proceed to statements by members under Standing Order 31.

STATEMENTS BY MEMBERS

[*English*]

SILKEN LAUMANN

Mr. John Harvard (Winnipeg St. James, Lib.): Mr. Speaker, Silken Laumann says it was a nightmare and that she has been harshly treated. That is an understatement.

What happened to Canada's outstanding rower at the Pan–Am Games in Argentina was unfair, unjust and uncalled for. Let us hope that she was not a pawn in an international game of politics as is perhaps indicated by the premature release of her name before the official report on the incident.

Her story is already familiar to millions around the world. Silken Laumann came down with a cough and cold. As most people do, she took medication. She was told it was an approved remedy for athletes. That was wrong. It was a banned substance. Someone had goofed and it was not Silken Laumann. For that she and her team were stripped of a gold medal.

The Canadian Olympic Association will fight the disqualification. We think it should. Justice demands that Silken Laumann's name be cleared. Ms. Laumann is an honest competitor, known for her integrity and commitment to her sport.

We want her to know that all Canadians are behind her at this difficult time.

* * *

[*Translation*]

GREECE

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, tomorrow marks Greece's Independence Day. March 25, 1821 marked the start of the final lap in a long struggle against the Ottoman Empire, which led, a few months later, to the proclamation of independence in Epidaurus in January 1822.

Many people from this community now live here in Canada, and I would like to use this anniversary to briefly recall the debt we owe to the Greeks.

From Socrates to Plato, from Pythagoras to Hippocrates without forgetting Archimedes and Pericles, the Greek civilization has had such an influence on the evolution of thought that we still speak today of the Greek miracle. The Greeks provided the two pillars of modern world: science and democracy.

We offer our best wishes to all Greeks and all those who are Greek at heart on Greece's national day.

* * *

[*English*]

SEX OFFENDERS

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, the people in my riding of Okanagan—Shuswap have been especially concerned about an assault committed by a previously convicted sex offender near the beautiful resort area of Malakwa.

To express this concern, Sicamous council sent a letter to the justice minister which included the following:

> Whereas persons convicted of many types of sexual offences will be repeat offenders upon release unless they have been given counselling and treatment to prevent further offences, therefore be it resolved that at the end of the prison term if that person has not sought counselling or treatment, and therefore in the opinion of the national parole services or prison authorities will reoffend, that person shall not be released from prison for parole or even at the end of their full sentence until such time as they will no longer be considered a threat to society.

I believe that local government demonstrates far greater concern for the safety of its citizens than anything demonstrated by the minister in Ottawa.

* * *

PORT OF CHURCHILL

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, recently I had the opportunity to meet with a delegation concerning the future of the port of Churchill. It consisted of Manitoba MLAs, Saskatchewan MLAs, representatives of the city of Churchill, representative of the Hudson Bay Route Association and others.

I go on record as recommending to the government that it pay heed to the recommendations of the task force and of the delegation. Given the possibilities for the spaceport in Churchill, new possibilities perhaps for the port of Churchill as a port and a number of other things, the money that needs to be spent there would be money well spent.

I urge the government to spend the money and to see it not as spending in the pejorative sense but as an investment in the future of the Canadian north and in the future of Churchill and northern Manitoba.

* * *

THE BEAVER

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I rise in the House today to recognize the 20th anniversary of a significant day in our history. Twenty years ago today Bill C–373 received royal assent, officially proclaiming the beaver as the national Canadian symbol.

The beaver appeared on Canada's first postage stamp, on our five–cent piece and was generally considered a symbol of industry and the sovereignty of the nation.

My predecessor, Mr. Stan Darling, tells the story of a call he received 21 years ago from Kearney resident Mr. Ralph Bice. That set the ball rolling for Stan who worked diligently with Bill C–373's originator, Mr. Sean O'Sullivan, to safeguard the beaver as a Canadian symbol. As the story goes New York State was trying to beat us to it.

In the words of the originator: "There must be things to touch one's soul, heart and emotions if we are to be complete persons and a whole nation". "That", he said, "is the importance of symbols".

Please join me today in celebrating the 20th anniversary of the beaver as the national symbol.

• (1105)

VIOLENCE AGAINST WOMEN

Ms. Mary Clancy (Halifax, Lib.): Mr. Speaker, violence against women is one of the worst horrors of our world. We strive for zero tolerance in Canada and we use our international reputation to fight for the protection of women worldwide.

Sadly some people still do not get it. Some people think that the torture and imprisonment of women for not wearing a veil is no different from the requirement that men wear jackets in our parliamentary restaurant.

Some people think that Canada cannot afford to offer a haven to women who flee the practice of genital mutilation. Incredible as it seems, some people do think this and some of them actually sit in the House. Thank God they do not sit on the government side.

* * *

HATE CRIMES

Mrs. Karen Kraft Sloan (York—Simcoe, Lib.): Mr. Speaker, trickle down homophobia that results in hate crimes committed against homosexuals happens when political and social leaders trash gay people, when they equate gays with pedophiles, and when they state that granting gays rights enjoyed by other Canadians is granting them special privileges.

A Reform member opposite recently stated that gays are responsible for bashing gays and that gay bashing is simply one gang going against another gang. These actions give gay bashers encouragement and justification. These politicians are equally responsible for the violence that ensues.

In spite of what the Reform member opposite thinks, hate crimes against gay men and lesbians are a harsh reality. We must take these hate motivated crimes seriously so that our streets are safe for everyone to walk, so that gay bashing and homophobia will be relics of the past.

I urge all members of the House to support Bill C–41.

* * *

[*Translation*]

BURUNDI

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, yesterday, the Secretary of State for Latin America and Africa told the Standing Committee on Foreign Affairs that a wave of massacres, the likes of which swept through Rwanda last year, could hit Burundi this year.

By saying this, the Secretary of State has aligned herself with the Bloc Quebecois, which has already expressed concern about the deterioration of the political and social situation in Burundi.

In fact, the ethnic make–up of the two countries is very similar, Burundian extremists have been stepping up their operations and political crises keep on erupting. In addition, there has been no improvement in the situation of Rwandans who have fled to Burundi.

The federal government, through the Minister of Foreign Affairs, must support the people and the Government of Burundi in their effort to find a lasting solution in their country. Canada cannot wait for a catastrophe to hit Burundi before acting.

* * *

[*English*]

PUBLIC SERVICE

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, government administration in Canada is in crisis. The federal public service must become smaller, work better and be more cost effective. If it were a private conglomerate it would be in receivership.

Public enterprise must focus on outputs, what gets done; make decisions transparent, accessible and reliable information; provide real incentives for performance and consequences for failure; establish constraints through modernized budget techniques; promote competition by enhancing consumer choice; and develop competitive benchmarks with the private sector using multiple suppliers.

Contracting out is favoured such as more non–profit organizations for social care. The federal public service can be smaller and provide services more competitively. Government must be more businesslike. We must change our expectations and let the public service concentrate on what it should do. Let it work to become smarter rather than larger.

* * *

[*Translation*]

RAIL STRIKE

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, why has the Bloc Quebecois decided to prevent rail workers from returning to work?

It is jeopardizing jobs across Canada. This is an irresponsible action causing jobs to be lost nation wide. The Bloc could not care less about Canadians and the Canadian economy, including that of Quebec. It is wasting public money, the money of Canadians from all regions of the country.

[*English*]

Its agenda is the separation of Quebec. That is its priority. Is this the kind of economic co–operation separatists want from Canada? Is this the kind of action it really believes Quebecers and Canadians want?

[*Translation*]

I urge them to join forces with the government, as the New Democratic Party has done, and support the bill.

* * *

• (1110)

[*English*]

RAIL STRIKE

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, another day into the rail strike is taking its toll on the Canadian economy.

In Etobicoke—Lakeshore the strike has affected activity at the food terminal, passengers using the Mimico station, and manufacturing, industrial and commercial businesses in the area.

As rail service slows so too has the export of manufactured goods, grains and natural resources. While trains sit idly in the yards so do the thousands of workers whose jobs are dependent on the rails to ship their products across the country.

The self–interest of the Bloc Quebecois in this labour dispute has resulted in the suffering of small and medium size business, commuters, and Canada's reputation as a reliable international supplier.

Since collective bargaining and government efforts to facilitate an agreement have failed so far, now is the time for all members of Parliament to unite and act in the interest of all Canadians.

* * *

RAIL STRIKE

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, I too offer a few statistics to Bloc Quebecois members who are deliberately destroying the economies of Quebec and the other provinces by delaying an end to the railway strike.

Every morning $200 million worth of exports to the United States are being interrupted. This week alone the delay will cost the Canadian economy $3 billion to $5 billion worth of productivity, all courtesy of the Bloc Quebecois.

Somehow the image of the Bloc as champions of the collective bargaining process is shattered by the fact that even Buzz Hargrove of the Canadian Auto Workers has said there is no benefit whatsoever to delaying the legislation.

The Liberals strongly believe in collective bargaining, but when it fails and results in economic turmoil the government must act in the public interest. Obviously this concept escapes the Bloc Quebecois, a party that is losing its credibility as the official opposition.

[*Translation*]

CANADIAN NATIONAL

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, with each passing day we see how carefully the federal government and Canadian National have orchestrated their campaign to attack the working conditions of their employees. Now we are seeing televised messages by Canadian National about the importance of rationalizing the company.

These messages were certainly not put together in the course of the week and are proof of CN's bad faith in these negotiations. Is it not completely unacceptable that the employer is running down its employees publicly, on the eve of the mediation-arbitration process that the federal government so prefers to what the Bloc has proposed?

If CN is so confident, it is because it knows it has the backing of the federal government, which in the end bears sole responsibility for the present labour conflict. Through its collusion with the employers and its inflexibility with respect to the special legislation, the federal government is disrupting negotiations, acting in a cowardly manner, and indicating clearly its lack of regard for the rights of workers.

* * *

[*English*]

DEATHNET

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I was recently shocked to learn that graphic step by step instructions on how to commit suicide are now widely available through Internet.

Deathnet, an on line Internet service, is based in my riding and has been offering the information to subscribers since early in the new year. The service puts at risk thousands of teenagers and others prone to suicide.

Furthermore, 4,500 individuals have already logged on to it, many of whom are teenagers. The dangers are obvious. We have heard about tragic cases such as that of Bobby Steele who committed suicide.

As a physician I have seen firsthand the tragic results of depression in society. If the service continues it would lead to an increased number of suicides among those who are most vulnerable in society.

The simple fact is that making how to kill oneself information widely available on the Internet raises some serious ethical questions that must be addressed. I for one will not sit idly by and allow the service to continue.

MAINTENANCE OF RAILWAY OPERATIONS ACT, 1995

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, some rail union leaders in my riding have expressed serious concern over the rail legislation, especially clause 12.

Although there seems to be differing opinions in the membership, it is important to note that back to work legislation is far from our first choice. We prefer a negotiated settlement within the collective bargaining process but the shutdown of operations is crippling the economy.

• (1115)

I would ask that the union leaders prevent this legislation by telling CN, CP and VIA that they will go back to work tomorrow with a guarantee of no work disruption for a set period of time and that CN, CP and VIA be directed by the Minister of Labour to negotiate in good faith.

After all, the best guarantee of job security is good labour relations and a strong and competitive rail industry.

* * *

RAIL STRIKE

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, the rail strike continues and the availability of goods for the service and manufacturing industries grows scarce. Grain stocks lie dormant in the elevation system throughout western Canada.

While some members opposite have seen fit to support the government in this matter and the government has great reluctance to be engaged in direct dispute settlement, there reaches a time when economic damage exceeds the right to negotiate.

I commend the minister for her timely and appropriate actions. The long term structural changes to eliminate these difficulties remains a challenge for this House. I congratulate the minister. We will support her in the future in these matters.

* * *

RAIL STRIKE

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, you are fully aware of the infamous Liberals copy Reform awards. Today we have the first instalment of the Bloc copy Reform awards.

We congratulate the member for Longueuil who had the courage and conviction to break party ranks and vote with the Reform Party and the government to end the multibillion dollar railway strike that hurts all Canadians from sea to sea, including Quebecers. As for the rest of the official opposition, they are living back in the times of the steam locomotive and conjure up

the image of nothing more than cows standing on the tracks blocking the train.

We compliment the member's courage and wisdom. The political consequences of his actions will likely be re–election, unlike what his leader and his colleagues say. Putting the interest of all of Canada before self–serving political goals is what is needed this week.

It is unfortunate that the Liberals did not copy Reform ideas and suggestions two weeks ago on this issue when they had a chance to prevent this strike from happening in the first place. The Reformers saw the train coming down the track, why did the government not?

ORAL QUESTION PERIOD

[*Translation*]

RAIL STRIKE

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, comments made yesterday by the Minister of Transport and CN President Paul Tellier confirmed the government's strategy, which had been described by Commissioner Hope.

That strategy is obvious: for 18 months, the government and the railway companies let the situation deteriorate; for 18 months, they hinted at the possibility of special legislation; for 18 months, their only concern was to create an impasse so they could impose terms and conditions of employment.

Does the Minister of Labour realize that with this legislation, she is merely finishing the job of breaking the unions so that CN can be quickly privatized?

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, does the Bloc Quebecois realize that since last Sunday it has been obstructing back–to–work legislation that has a major impact on the Canadian economy from coast to coast? Is it aware of the repercussions of its decision not to co–operate on the passage of this bill?

We had to table this bill in the House as a last resort. We did because we saw it as our duty to do so, and today, we would ask the Bloc Quebecois to act accordingly.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, the government is to blame for blocking a settlement. If the minister is so concerned about the economic repercussions, why did she not deal with the problem on Monday, on the basis of proposals made by the Bloc Quebecois which, in fact, worked very well in the case of the Port of Montreal? Employees would have been back to work five days ago if this government had not stubbornly insisted on this indecent settlement mechanism.

• (1120)

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, I would ask the members of the Bloc Quebecois to stop playing politics with the Canadian economy. Millions of workers are affected because the railways are not operating. Do we realize that? What does the Bloc Quebecois hope to achieve by obstructing this bill? This week, we heard the Leader of the Opposition say "on with the referendum". Now, Mr. Speaker, let us get on with this bill.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, there was never any explanation from the other side of the House for refusing the solution proposed by the Bloc Quebecois, which provided for a return to work on Monday. Sixty days, no strike, no lockout. Never! The only explanation given by the government was that negotiations had been dragging on for 17 months. Does the minister realize that in the Port of Montreal, negotiations had been dragging on for 25 months and that thanks to the proposal by the Bloc Quebecois, work has now resumed in the Port of Montreal?

Some hon. members: Hear, hear.

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, the Bloc Quebecois seems to think that it was the one who appointed a mediator in the Port of Montreal. They have a real identity problem. They really have a problem, I must say.

I decided to appoint a mediator in the Port of Montreal because the circumstances so required. I have already said that we consider each particular situation in the railways on its merits. All these discussions and negotiations have been taking place for more than a year. Unfortunately, we have reached an impasse. And at least one member of the Bloc Quebecois agreed, the hon. member for Longueuil.

* * *

TURKEY

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is for the Deputy Prime Minister.

While the Turkish air force and artillery continue to pound Kurdish positions in northern Iraq, the European "troika", on a visit to Ankara, formally demanded that the Turkish army withdraw from Iraq. Otherwise, the European Parliament could block the customs union deal reached with Turkey.

Does the Canadian government, which, incidentally, is still negotiating the sale of its CF–5 fighter jets to Turkey, intend to follow in France's and Germany's footsteps by demanding that Turkey withdraw from Iraq as soon as possible?

[*English*]

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I want to assure the hon. member that discussions with any country that is looking at the CF–5 aircraft, which I want to reiterate is a training aircraft, will be done as we always do business in these instances which is with the strictest export controls. There will be no change.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my supplementary question is also for the Deputy Prime Minister.

Since Turkey has clearly indicated its intention to keep troops in the border area with Iraq until a buffer zone is established, does Canada intend to submit this sensitive matter to the UN Security Council?

[*English*]

Hon. Christine Stewart (Secretary of State (Latin America and Africa), Lib.): Mr. Speaker, this issue is of great concern to the Government of Canada. At this very moment we are meeting with the ambassador of Turkey and requesting that Turkey respect the human rights of the minority group being targeted in this situation. We are asking Turkey to take a moderate stand by trying to dialogue with the group and respect their cultural rights.

At the same time, we understand the difficulties in dealing with acts of terrorism. However we are officially asking the Government of Turkey to take a moderate stand and to try to come to some form of agreement with the Kurds.

* * *

RAIL STRIKE

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, the week long rail stoppage has cost Canada dearly. Canada has lost over $5 billion, of which farmers have lost $100 million, exporters have lost $1 billion and $2 billion has been added to the public debt. These are just the short term costs. The total will climb even higher because our clients have lost confidence in our transportation system.

• (1125)

My question is for the Minister for International Trade. What plans does the minister have to address these long term costs?

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, I am not sure I understood the question.

The question refers to the long term impact of the current rail strike. Indeed, as the hon. member said, the impact is in a sense cumulative. Each day the situation becomes worse. Rail cars become stranded and unable to provide the necessary services and exports are hindered.

What we are intending to do in the short run is to complete the legislative process to ensure the restoration of full rail services in Canada. Then we will accelerate in every way we can the export of Canadian goods following the restoration of the rail services.

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, on Tuesday the Minister of Transport said that the Government of Canada had a responsibility to maintain a rail system that is viable, competitive and affordable. Over the past week I submit that the government has failed to do all three of these things. It has failed farmers, manufacturers, consumers and commuters. Why has it failed? I believe it is because the government does not have a plan.

Why has the government not tabled a long term plan to ensure that rail stoppages are a thing of the past?

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, it is not the Government of Canada that is preventing the return of the rail services, it is the Bloc Quebecois that is preventing their return.

We are making every effort on this side of the House. We will complete the process in short order to ensure the restoration of the rail services. As for the longer run, we are under the excellent leadership of our Minister of Labour who is reviewing all aspects of the relevant legislation to ensure that this sort of situation does not occur again.

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, it is simply not true that only the Bloc and the NDP are responsible for the damage to the Canadian economy. The government has had nearly a year to deal with this problem and to come up with some long term legislation which would prevent this sort of thing from happening.

Once back to work legislation is finally passed, will this government take legislative steps to resolve the transportation problems once and for all? After all, the team Canada approach depends on a viable rail service.

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.): Mr. Speaker, the government still believes in the collective bargaining process. If the hon. member from the Reform Party believes in a much more drastic solution, that is not our policy. We still believe in this process. Indeed, the majority of labour disputes in Canada are settled through collective agreements.

True, the normal collective bargaining process is difficult to apply in the railway industry. However, since we are currently reviewing the Canada Labour Code, we will surely have to propose solutions to this kind of problem in the future.

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HEALTH CARE FUNDING

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, my question is for the Minister of Health. The minister stated last Friday that, in spite of substantial reductions in transfer payments to the provinces, the federal government will

keep a watchful eye on the provinces and penalize those who try to exclude essential care and services from medicare coverage.

Does the minister realize that repeated budget cuts to federal transfer payments to the provinces will force the provinces to make agonizing choices like closing thousands of beds or limiting access to costly chemotherapy treatments, at the risk of cutting back on care and services available under medicare?

• (1130)

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, some things have to be made clear. The current fiscal situation must be addressed. By getting our fiscal house in order now, we will be able to preserve social programs such as health care. They will be preserved. We will make sure that every dollar we spend is well spent and that essential services are available to those who need them.

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, does the minister agree with the Prime Minister who stated in Regina that these budget cuts will eliminate what he called non–essential health services, such as eyeglasses, wheelchairs and ambulances, when we know that the provinces also have to close thousands of hospital beds?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker,there are members here who do not take seriously the very important issue of health.

But I do, and so does the Prime Minister. I can tell you that no jurisdiction in Canada is telling us that more money is what is needed. We must change the way things are done and make sure that the money we have is spent more efficiently. Even the Quebec government is looking at cutting services, including health services.

We know that certain things can be improved, and so does the Government of Quebec.

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[*English*]

FISHERIES

Mr. John Cummins (Delta, Ref.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

Notwithstanding any objection to the quotas, NAFO regulations give Canada the authority to carry out inspections on any ship in the NAFO regulatory zone. Why has Canada stopped doing these inspections while fishing is going on?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, we have carried out many dozens of inspections over many years in the NAFO regulatory zone.

What those inspections tell us—this information has been made public in the past—is that there are repeated examples, in particular by the Spanish fleet, of every rule of conservation being violated by those that participate on the Grand Banks.

The reason we are not doing inspections at this time is that the Canadian patrol vessels out there have already participated in one armed seizure of a Spanish vessel. In that circumstance and given the tension that exists between those officers and the Spanish fleet, sending a couple of unarmed officers aboard at this time may not be in their personal best interest or safety.

We will do nothing that will needlessly or recklessly put our officers at risk when we know with certainty that this fleet is cheating, is not following the rules, is fishing indiscriminately. The action we need is not inspection but enforcement by Spain, enforcement by the EU or failing that, enforcement by Canada.

Mr. John Cummins (Delta, Ref.): Mr. Speaker, this minister's record of protecting Canadian resources is not great.

NAFO regulations give inspectors the right to wait until the net is hauled in and then inspect all areas of a ship. Why, while the minister has held office, did we inspect the *Estai* at least 11 times and only issue one citation?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, when it comes to talking about records and positions of members, I assume that on 24 hours' notice, the member's position can change.

This is the member who said, and Canadians should note, on behalf of the Reform Party that he did not support the strong measures being taken by Canada to bring about enforcement with respect to the Spanish fleet.

This is the member who 24 hours later turned himself inside out in verbal gymnastics to change his mind. I will wait another day. Perhaps Monday we will know the real position.

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[*Translation*]

FIGHT AGAINST AIDS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, my question is for the Minister of Health.

It costs an average of $100,000 to treat each Canadian suffering from AIDS. Every year, 2,000 new cases are diagnosed and the number of AIDS patients will have doubled by the year 2000.

• (1135)

Meanwhile, the government is penny–pinching by reducing the already inadequate budgets allocated to the National AIDS Strategy, whose objectives precisely include the prevention of this terrible disease.

Considering that an amount of $5 million was not spent and allowed to lapse last year, will the minister pledge to use all the moneys allocated to fight this disease, and will she display a greater sense of responsibility?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the fact that we maintained these budgets in spite of very difficult times confirms that we recognize the serious problem of AIDS in Canada.

Each year, we set aside $40.7 million to fight AIDS and the HIV virus. We will also make sure that each dollar is spent in an appropriate manner.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I want to be clear: the number of AIDS patients in Canada will have doubled by the year 2000. Last year, the minister had a budget of $40 million. Since she spent only $35 million, the other $5 million was allowed to lapse. This is criminal, considering the number of AIDS victims.

My question is: What will the minister do to spend all the moneys allocated to her?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I will not spend dollars just because they have been allocated. The object is to make every dollar count. I will not change the way I have operated since I became Minister of Health.

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JUSTICE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, Robert Arthurson, the convicted pedophile who murdered Sarah Kelly in The Pas, Manitoba last year previously admitted to a police officer and psychologist that he fantasized about killing a child.

However, the RCMP detachment in The Pas was prohibited from informing the community about the danger posed by Arthurson's presence. RCMP headquarters in Winnipeg stated it would be against Arthurson's charter rights to reveal this information.

I ask the Solicitor General if he is satisfied with the manner in which the RCMP handled this case and if he would instruct them to act in the same manner in the future?

Mr. Patrick Gagnon (Parliamentary Secretary to Solicitor General of Canada, Lib.): Mr. Speaker, I do not know the specifics of the case, but I will take the question as notice. I am convinced the minister will answer the hon. member from Alberta in due course.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, just a correction. I am from the province of British Columbia, not Alberta.

An hon. member: Is there a difference?

Ms. Meredith: Quite a difference.

The charter of rights states that everyone has the right to life, liberty and the security of person. Sarah Kelly was deprived of this constitutional right.

Why does the government continue to give a higher priority to the charter rights of convicted sex offenders than it does to the rights of an innocent 13–year old girl?

Mr. Russell MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I want to assure the hon. member that under no circumstances would the government ever minimize the charter rights of any Canadian. The very strength of the country is in the charter. It will continue to be supported to every extent possible by the government.

* * *

[*Translation*]

THE ENVIRONMENT

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, my question is for the Minister of the Environment.

At the Rio summit, Canada was priding itself on being in the forefront in environmental protection. Today, we realize that it has joined the ranks of the countries threatening the credibility of the convention on climate change.

Next week, in Berlin, the Minister of the Environment will be attending a meeting at which the European Union is expected to propose that levels of emission of greenhouse gases established at the Rio conference in 1992 be extended beyond the year 2000.

Would the Minister of the Environment tell this House what position her government will take with respect to this proposal?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the government's position is as follows: there must be an exchange of technology between developing countries and countries like Canada. For this reason, we are going to propose an analysis of credit transfers, which will not only stabilize the greenhouse effect, but reduce it. This is our position.

• (1140)

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, in view of the fact that Canada has not met its objectives for the reduction of greenhouse gases, how can the Minister of the Environment go to Berlin with a view to taking credit for

reductions in gases achieved by Canadian companies in developing countries?

[*English*]

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the federal government will be going to Berlin with a position which we believe is not only defensible but will enhance the capacity of the world to reduce greenhouse gas emissions.

We will be proposing that we work together with countries like China and Brazil that are interested in Canadian technology to ensure technology transfer for credit. That will permit us to pursue our objective which is not only to stabilize greenhouse gases around the world but to reduce them.

I hope that the member would use her good offices to convince the Government of Quebec to come to the table so that we can have a Canadian position, where federal and provincial governments work together to establish not only stabilization but the reduction of greenhouse gas emissions.

* * *

FOREIGN AFFAIRS

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, my question is for the Deputy Prime Minister.

I was appalled to read that the estranged wife and children of a Canadian diplomat are living in poverty in Australia. Why? It appears the official has avoided a payment to his family ordered by the Australian court by claiming diplomatic immunity.

I would like to ask the Deputy Prime Minister what the government is doing to investigate and to correct this apparent abuse of diplomatic immunity?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Minister of Foreign Affairs, with whom I spoke shortly before coming into question period, indicated his personal outrage and the outrage of the government at the conduct of anyone who would hide behind diplomatic immunity to avoid his or her obligations to family.

He has personally ordered that this individual not only make the payments as requested by the Australian court, but that the individual be immediately recalled to Canada.

* * *

THE BUDGET

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, the Minister of Finance was very excited yesterday when he learned that the province of Newfoundland balanced its budget. He even recommended it to the province of Quebec. We were excited about it as well.

This is a remarkable accomplishment for that province when we look at the fact that there has been a collapse of the Atlantic fishery and unemployment is around 20 per cent. Newfoundland has balanced its budget through spending reductions and not an increase in taxes.

My question is for the Minister of Finance. If the province of Newfoundland can do this, why cannot the Government of Canada?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I suggest the hon. member read the budget. Our budget plans are quite clear. We are reducing the deficit dramatically and we are on our way to a balanced budget.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, we may be on the road to disaster as well, who knows. Nobody has put a plan together.

Newfoundland has a planned balanced budget. Alberta has a plan to balance its budget. Saskatchewan, Manitoba, New Brunswick and Prince Edward Island are doing the very same. They have a plan to balance their budgets.

When is the Government of Canada and the Minister of Finance going to join the club and have a plan to balance the federal budget? When can they do that?

Hon. Douglas Peters (Secretary of State (International Financial Institutions), Lib.): Mr. Speaker, I note that Newfoundland has been successful in balancing its budget. It is the first time it has done so since 1949. It has taken a long time. The most recent government has taken several years to do so.

This government, however, is going to do it in rolling two–year targets. We are going to keep to our target and get the budget balanced much more quickly that way than by pursuing the wild dreams of the Reform Party in the budget that it put forward that had no content.

* * *

[*Translation*]

BOVINE SOMATOTROPIN

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, while the European Union has imposed a seven–year moratorium on the sale of somatotropin, a synthetic hormone which stimulates milk production, the federal government only agreed with the manufacturers to ban it for a one year period ending July 1.

• (1145)

Out of concern for the people who have serious reservations regarding the use of this hormone, will the Minister of Health release her department's new studies on this issue within the next few days?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, my people are still conducting research on this substance and have yet to recommend whether its sale and use should eventually be allowed in Canada.

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, will the minister not extend the moratorium, since farmers, the health industry and consumers oppose the availability of this hormone on the market? I will remind the minister that a survey conducted by the magazine *Protégez–vous* found that 78 per cent of all consumers are against the use of this hormone.

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, BST has not been approved. It will be approved only when the scientists at Health Canada make the decision that the drug is effective and safe.

The moratorium was recommended by the agriculture committee. I believe it was voluntary on the part of the production people at Monsanto.

* * *

INDIAN AFFAIRS

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, yesterday in response to a question from my colleague for Skeena the minister of Indian affairs indicated his $5 million policy paper on self–government was not secret.

If it is not secret, will the minister tell the House why parliamentarians and Canadians have to rely on the national chief of the Assembly of First Nations to shed light on this undertaking and make the process public?

[*Translation*]

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I will take the question under advisement and we will reply in due course.

[*English*]

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, I would like to see that document tabled.

The minister has been consulting with select groups for 16 months. Can the minister assure the House he will soon conclude this process so this undertaking will not become another aboriginal royal commission which is now two years overdue and $40 million over budget?

[*Translation*]

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, this process is a must which will allow us to consult the various groups concerned and to hear their suggestions before setting policy.

This process will enable us to set policies which are more sensitive to the people who will eventually have to implement them, and it is a process which we will finish as quickly as possible.

* * *

[*English*]

FISHERIES

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

On Monday, March 27 the United Nations conference on the straddling and highly migratory fish stocks reconvenes. The recent fishing of the Spanish fleet on the nose and tail of the Grand Bank clearly shows the urgency for a binding convention to end the threat of foreign overfishing.

Can the minister tell the House what Canada hopes to achieve in these crucial meetings next week?

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I thank the member for St. John's East for her question. Her interest in this matter is well known in the House and throughout the province of Newfoundland and Labrador.

This conference has now been ongoing for two years. It has made very substantial progress to the point at which we now have more than 80 per cent of all of the countries participating in New York at the UN conference supporting the proposal endorsed and in some respects authored by Canada for a binding convention that would give us effective rules, transparent rules to govern the ways distant water fishing fleets behave on the high seas.

We hope for a success and a completed conference this year but even if a convention comes in 1995 it will take several years for it to gain ratification.

In the interim we must have effective means to protect those fragile and fast disappearing straddling stocks.

* * *

• (1150)

IMMIGRATION

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, my question is addressed to the parliamentary secretary to minister of immigration. The minister of immigration has stated that the new $975 right of landing fee will not discriminate against poorer immigrants and refugees because loans will be made available to them. Now we learn there is a means test and that the ability to repay the loan will be assessed before a loan is granted.

Can the parliamentary secretary tell us what will happen to refugees? I remind the government that refugees do not choose to abandon their homes, they are forced to. Can the parliamentary secretary tell us what plans the government has to assist refugees who do not meet the loan criteria?

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I thank the hon. member for his question. I wish to reassure him that refugees will not be turned away because of an inability to pay.

This has been said by the minister many times. I am here to reiterate that repayable loans will be granted to refugees. As in the past, those loans will likely be paid back at a 95 per cent to a 97 per cent rate.

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, many of the refugees come from the poorer third world countries and do not have the means to pay the $975 tax.

Would the government not consider removing the landing fee for refugees?

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I know the hon. member speaks in the best of faith, but I sometimes find it a little difficult to understand why well meaning people feel refugees and immigrants cannot pay their own way. That is not the history in this country. They are proud people who want to contribute to Canada. They want to take their share of the burden and they will do so.

I remind the hon. member that on the loans that have been taking place in this country to refugees since 1950 the repayment rate is over 95 per cent. I know the hon. secretary of state for financial institutions would say it is a rate bankers would envy.

We can depend on refugees to handle their debts to Canada in a fair way, as Canada handles refugees in a fair way.

* * *

[*Translation*]

LOW LEVEL FLIGHTS

Mr. André Caron (Jonquière, BQ): Mr. Speaker, my question is for the Minister of the Environment.

Recently a federal environmental review panel recommended that the number of low level flights authorized annually in northern Quebec and Labrador be increased to 15,000. The panel's findings are incomplete and the populations most affected by these flights have refused to participate at hearings.

Does the Minister of the Environment acknowledge the shortcomings in the panel's report and does she intend to reject its recommendation that the number of flights be increased substantially?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I accept the fact that the Canadian Environmental Assessment Agency has carried out its work in good faith. The report is now before Cabinet and a response is expected shortly.

Mr. André Caron (Jonquière, BQ): Mr. Speaker, how can the Deputy Prime Minister justify the fact that her colleague at National Defence has already begun negotiations with a view to increasing the number of low level flights, even before Cabinet has made its decision on this matter known?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Minister of National Defence already answered this question last week. My answer is the same as his.

* * *

[*English*]

HEALTH

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is very sad that 30,000 Canadians will tragically succumb to the AIDS virus over the next few years. I would like to ask the Minister of Health if she considers that a person who is HIV positive can infect another person with the HIV virus, ultimately causing them to develop AIDS and die?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, AIDS and HIV are very serious diseases. They are entirely preventable, I am told, or almost entirely preventable if people behave in an appropriate manner.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is scientific fact that tragically if one is HIV positive, one has succumbed to another virus that is infectious and can kill people.

• (1155)

We test immigrants for tuberculosis and other infectious, treatable and non–fatal deceases. Being HIV positive, you are infected with a virus that will kill you, is infectious and is non–curable.

Will the Minister of Health recommend to the minister of immigration that there be mandatory HIV testing for people who wish to immigrate into Canada.

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I wish to assure the hon. member that questions of health with regard to immigration and refugees are a very high priority for the minister of immigration. We have very stringent tests and the hon. member should depend on the minister of immigration to ensure that Canada and Canadians will be safeguarded.

* * *

RAIL STRIKE

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, the farmers in my riding of Dauphin—Swan River and across Canada are increasingly frustrated that it is taking so long to settle the rail strike. Bloc members say they are representing

unions and the right to strike. What about farmers? Without rail transportation farmers cannot get their grain to market.

Would the minister of agriculture explain to the House what the stalling tactics of the Bloc are costing Canadian farmers?

Mr. Lyle Vanclief (Parliamentary Secretary to Minister of Agriculture and Agri-food, Lib.): Mr. Speaker, I do not think I have to point out to the House that if it is costing the farmers one dollar needlessly it is one dollar too much. The Canadian economy is being hurt and we want to get the economy back on the rails.

Obviously the Bloc Quebecois and the NDP do not care. If they did care they would have helped us do that earlier this week and our economy would have been rolling again.

It is costing hundreds of millions of dollars and I implore the Bloc Quebecois to stop blocking the railways.

* * *

GASOLINE

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, my question is for the Minister of the Environment. Could she confirm that she is planning to introduce legislation in the near future that would ban MMT as an octane enhancer in gasoline.

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Yes, Mr. Speaker.

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, it is generally accepted that the use of higher cost alternative additives in gasoline will force the price of gasoline up.

Would the minister tell Canadians how much more they can expect to pay for a litre of gasoline after the banning of this additive?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, a substance banned by the Environmental Protection Agency of the United States for the last 20 odd years, a substance currently used only in Canada and a substance under consideration for use in Bulgaria is a substance helping neither the environment nor the economy of Canada. That is why we are moving where the previous government did not, to ban its transportation.

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[*Translation*]

INTERNATIONAL TRADE

Mrs. Maud Debien (Laval East, BQ): Mr. Speaker, my question is for the Minister for International Trade.

One of the conditions set by the Prime Minister for letting Canada join NAFTA was the negotiation with the U.S. and Mexico of improvements to the anti-dumping and subsidy regulations. These negotiations must be completed by the end of December 1995.

Since these new regulations would benefit businesses in Canada and Quebec, can the Minister for International Trade report on the progress of discussions with his American and Mexican counterparts?

[*English*]

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, the discussions that were foreseen were postponed during the period when the NAFTA legislation was before the U.S. Congress. Once the legislation and the WTO were adopted by the U.S. Congress the talks proceeded.

The first consultations were held in Mexico three or four weeks ago. Further discussions are foreseen. In the first stage of the discussions the three countries are agreeing together on what the focus of their work should be in identifying the benefits of limitations on anti-dumping practices, as the member rightly says, which can bring benefit to all three countries in the NAFTA.

* * *

• (1200)

RAIL STRIKE

Mr. Brent St. Denis (Algoma, Lib.): Mr. Speaker, my question is for the Minister for International Trade.

Many Canadians have personally felt the devastating impact the national rail stoppage has had on the national economy. Canadians know that each hour's delay in getting the rail system moving again is costing jobs and vast sums in lost production. Can the minister give some indication of how serious the economic impact really is on Canadian workers and employers?

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, the situation is even more acute from yesterday in that there is a cumulative effect of the impact of a rail strike. The situation becomes worse hour by hour and day by day.

The disruptions in the automobile industry are already evident, with Ford reducing its production in Canada. The potential, for example, in the province of Quebec, in particular of Repap, a large Canadian paper company, having to curtail, reduce or eliminate its production if the strike continues is increasingly evident.

In general terms, the impact on the Canadian economy can be severe. It is essential that this strike be brought to a conclusion immediately.

* * *

PRESENCE IN GALLERY

The Speaker: I would like to draw the attention of hon. members to a person in the gallery. I must confess, as your Speaker, that as a young man I was absolutely enthralled by this

lady. The attention of the world was on Canada when she so magnificently won in her event and began a tradition of successes in figure skating which goes on to this day. I share with you, my colleagues, one of the treasures of Canada, Miss Barbara Ann Scott.

Some hon. members: Hear, hear.

The Speaker: In keeping with this, those of you who are able I invite to my chambers. I will be receiving Miss Scott in your name immediately after question period.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 13 petitions.

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COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present, in both official languages, the 69th report of the Standing Committee on Procedure and House Affairs regarding its order of reference from the House, dated Monday, February 7, 1994, on the taking of divisions of the House by electronic means.

[*Translation*]

The committee recommends that the House not go ahead with the taking of divisions by electronic means at this time. On behalf of the whole committee, I wish to thank the members of the subcommittee on this issue: the hon. member for Bellechasse, the hon. member for Glengarry—Prescott—Russell, who is the Chief Government Whip in the House, the hon. member for Scarborough—Rouge River, and the hon. member for Fraser Valley West—

[*English*]

—for the excellent work that those members did in putting together the report of the subcommittee, which is tabled herewith.

* * *

STORNOWAY

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.) moved for leave to introduce bill C–318, an act to provide for the property traditionally used as the official residence of the Leader of the Opposition to be leased out when not being used.

• (1205)

He said: Mr. Speaker, in view of the fact that Canadians everywhere are grossly overtaxed, it gives me great pleasure to introduce this private member's bill to lease out Stornoway, the official residence of the Leader of the Opposition, when not in use.

The reason for the bill is to use it as an example for other government infrastructures that are not being used and are costing taxpayers a great deal of money while not in use. I hope we can rent out, lease or sell some of the other assets that are not in use and prevent them from being a drain on the taxpayer.

(Motions deemed adopted, bill read the first time and printed.)

* * *

COMMITTEES OF THE HOUSE

TRANSPORT

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have two motions to propose to the House today. The first deals with travel by committees.

I think you will find unanimous consent for the following motion. I move:

> That six members of the Standing Committee on Transport be authorized to travel to Washington, D.C. from April 3 to 4, 1995 for the purpose of holding hearings in relation to the committee's consideration of marine policy; and that the necessary staff accompany the committee.

(Motion agreed to.)

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would like to give the official opposition the opportunity to continue to sit today to end this strike that has cost so much to Canadians and caused many of our fellow citizens to lose their jobs.

I move:

[*English*]

> That notwithstanding any standing order, the report stage and third reading stage of Bill C–77, an act to provide for the maintenance of railway operations and subsidiary services may be taken up today, provided that no divisions requested during the aforementioned business may be deferred to another day; and provided that the House shall not adjourn today until the third reading stage of the said bill has been disposed of.

I seek the unanimous consent of the House for this motion.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, on a point of information on the motion introduced by the hon. member for Kingston and the Islands. Does this mean that the government is prepared to approve the Bloc's amendments? If that were the case, we would give consent. I would like this to be clarified.

Mr. Milliken: Mr. Speaker, there are no amendments on the Order Paper, either from the hon. member or any of his colleagues. I am unable to answer the question directly. I must, however, point out that the government does not want any changes made to the bill as it stands.

Mr. Duceppe: In that case, Mr. Speaker, we must inform you that we are prepared to work on Saturday and Sunday. There is no consent. Too bad for the Liberals if they thought they could get out of working on Saturday and Sunday.

[*English*]

Mr. Blaikie: Mr. Speaker, a point of order. I want to make it clear that though we object to back to work legislation, we think it should be passed in all stages today. The strike has gone on long enough.

• (1210)

[*Translation*]

Mr. Harper (Calgary West): Mr. Speaker, I can also clarify the position of the Reform Party. We are prepared to work on Saturday and Sunday, but we hope that railway workers will do the same.

The Acting Speaker (Mr. Kilger): Order. Does the House give its unanimous consent to allow the hon. parliamentary secretary to table his motion?

Some hon. members: Yes.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): There is not unanimous consent.

* * *

[*English*]

PETITIONS

PENSIONS

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, pursuant to Standing Order 36 I have two petitions to present. The first is from the war pensioners of Canada in regard to basic service pensions.

HUMAN RIGHTS

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have a petition asking that Parliament not make amendments dealing with same sex relationships and sexual orientation.

GUN CONTROL

Mr. Réginald Bélair (Cochrane—Superior, Lib.): Mr. Speaker, I wish to present a petition containing some 2,000 names on the gun control bill.

The petition deals mostly with the registration aspect of the bill. The petitioners say that if they fail to register their guns they will end up with a criminal record the same as a real criminal who has committed a real crime with a gun. This is extremely unfair, to say the least.

Therefore, it is my duty to present this petition to the House with the hope that the minister will listen.

HUMAN RIGHTS

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have five petitions to present today that are all similar in nature.

The first two contain 33 and 48 signatures respectively, calling on Parliament to oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights which provides for the inclusion of the phrase sexual orientation.

The third and fourth petitions contain 42 and 80 signatures, requesting that Parliament not amend the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms that would in any way indicate societal approval of same sex relationships, prohibit discrimination or include the phrase sexual orientation.

THE FAMILY

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): Mr. Speaker, the final petition contains 50 signatures and requests that Parliament oppose any legislation that would directly or indirectly redefine the commonly understood definition of family, including the provision of marriage or the extension of benefits.

VIOLENCE

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, the petitioners believe that violence and abuse in our society is a growing concern.

They also believe that violence and abuse in all forms in the media is something that has to be checked. They are particularly concerned about the way in which it might affect young children.

The petitioners ask the government to ensure that the CRTC do what it can to minimize and reduce unnecessary violence and abuse in the media. They point out that very often what is seen, heard and read is counter to what people try to do to raise their children.

At the same time they point out that certain gains have been made and they appreciate the recent efforts of the CRTC in this regard.

GUN CONTROL

Mr. Maurizio Bevilacqua (York North, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the pleasure to present a petition.

The petitioners request that the Parliament of Canada enact legislation that will strictly control the sale, possession and use of all firearms and ammunition, ban military weapons and severely restrict access to handguns.

HUMAN RIGHTS

Mr. Rex Crawford (Kent, Lib.): Mr. Speaker, I am honoured to rise once again in the House pursuant to Standing Order 36 to present a petition on behalf of the constituents of Surrey, B.C.

The petitioners pray and request that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

• (1215)

[*Translation*]

VOICE MAIL

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I am pleased to act as the spokesperson for the hundreds of residents in my riding who signed a petition asking the government to reconsider its decision to install voice mail systems in some departments. As you know, elderly people are the first ones to be affected by this new technology. I am pleased to table this petition, which I support, on their behalf.

SOCIAL SECURITY

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I have the honour of presenting a petition signed by 585 people in my riding, who are asking Parliament to maintain the existing social security net.

This petition is in addition to the one on the same issue, which was signed by 11,000 people from my region, at the initiative of Solidarité populaire Saguenay—Lac–Saint–Jean, and which I forwarded to the Department of Human Resources Development.

[*English*]

HUMAN RIGHTS

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, pursuant to Standing Order 36, it gives me pleasure to present a petition from my riding of Esquimalt—Juan de Fuca where the people request the government not pass Bill C–41 as it is presently written to include the phrase sexual orientation, as the behaviour people engage in does not warrant special consideration under the law.

GUN CONTROL

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, it is my pleasure, pursuant to Standing Order 36, to present two petitions today.

The first calls on Parliament to refrain from passing any more firearms related laws which serve to restrict the rights, freedoms and ownership of law–abiding citizens. It further calls on Parliament to substantially strengthen Criminal Code punishment for those who are convicted of unlawful weapons offences.

GOVERNMENT SPENDING

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, the second petition is from the residents of Kootenay West—Revelstoke. Notwithstanding the presentation of the budget, the problems carry on. They call on Parliament to reduce government spending instead of increasing taxes. This petition is signed by over 2,000 residents of my riding.

JUSTICE

Mr. John Duncan (North Island—Powell River, Ref.): Mr. Speaker, I rise to present again another petition on this course of action undertaken on behalf of Canadians who wish to halt the early release from prison of Robert Paul Thompson.

The petitioners are concerned about making our streets safer. They are opposed to the current practice of the early release of violent offenders prior to serving the full extent of their sentences.

The petitioners pray our streets will be made safer for law–abiding citizens and the families of the victims of convicted murderers.

GOVERNMENT SPENDING

Mr. Ted White (North Vancouver, Ref.): Mr. Speaker, I am rising in the House today to present four petitions all on the same subject.

The first is signed by 90 residents of North Vancouver, headed up by Betty Clowers. The second is signed by Richard Miller of North Vancouver and 78 others. The third is signed by Mr. Rudolph DeVente and 220 others in North Vancouver. The fourth is signed by 52 employees of Chemetics International in Vancouver.

All of these petitioners pray and request that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending.

I would like to mention on this subject that the Deputy Prime Minister promised to resign if the GST had not gone in one year and she still has not done it.

HUMAN RIGHTS

Mr. Charles Hubbard (Miramichi, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have two petitions, one signed by the residents of Boiestown and the second by residents of Miramichi city.

These two petitions pray and request that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): I ask, Mr. Speaker, that the remaining questions be allowed to stand.

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

BORROWING AUTHORITY ACT, 1995–96

The House resumed consideration of the motion that Bill C–73, an act to provide borrowing authority for the fiscal year beginning on April 1, 1995, be read the third time and passed.

• (1220)

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I have been listening with great interest over the last number of weeks to the debate on the budget while I waited for my opportunity to participate. I have been truly amazed with the disregard the government is showing for the intelligence of the Canadian public.

The budget represents a betrayal of the red book or election platform on which the government was elected; also the betrayal the dishonesty and the deceitfulness of the rhetoric surrounding the cuts that must inevitably come if we are some day to reach a balanced budget.

Canadians were told by the Liberals during the 1993 election platform that the Liberals could solve the deficit problem through economic stimulation and job creation. Today unemployment is still unacceptably high and the deficit is still out of control.

Canadians were also told by the Deputy Prime Minister during the 1993 election that they would eliminate in the GST in one year or she would resign. To my knowledge she is still a member of the House.

Another inconsistency the Liberals told during the 1993 election campaign was that they would never cut the civil service. Upon making this promise they were viewed as the friends of the civil service, unlike the Tories. We must wonder what these same civil servants are now thinking with 45,000 of them being shown the door.

Canadians who voted for the Liberals in 1993 believed they would never cut transfers to the provinces in support of health care, education or social services. All seniors believed the Liberal Party would never cut old age security. Lo and behold only a year and a half later the Liberal government has done a total flip–flop on these and other election commitments.

Are Canadians to believe the Liberals really believed these commitments to be realistic or was it really the old political strategy of telling the people what would get them elected because a long time ago Canadians gave up holding politicians accountable for election promises.

I do not think Canadians will forgive so easily. I will do my best to see they do not forget. I will remind Canadians the Prime Minister's red book commitment to rebuild respect and integrity in government was simply more empty political rhetoric.

During the 1993 election campaign the Reform Party presented a plan to balance the budget in three years and the Liberals labelled us the slash and burn party, the destroyers of health care and old age security. Now only one and a half years later in the budget the government has implemented many of the zero in three cuts and even went further than that zero in three plan, not because it would choose to do so but because as we predicted there was no alternative.

This year again Reform put forward a budget and a plan to balance the budget in three years and again the Liberals rile and rave about the proposed programs and put their spin doctors to work to sell their own deceitful budget and hide the reality of what must inevitably come.

They continue to hide the realities in rhetoric like the following: "By consolidating our existing resources into one human investment we can then sit down with the provinces as we are doing now on issues of child care and literacy and work out new partnerships and new arrangements with the provinces and municipalities and private sector partners. It gives us the flexibility we need now to engage in a new generation of social programming that really fits both the reality and the changed circumstances that the country finds itself in".

This is the best example I could find of the dishonesty of the rhetoric being thrown at us. I will leave members opposite to surmise which member might have spewed that gem on us.

The truth must be told and we must face the music now as painful as that may be because if we postpone balancing the budget to somewhere in the future, say the year 2000, the debt could then be approaching $800 billion and the cost of interest on the debt will have risen to the point at which we can no longer

sustain even the core of our social safety net programs which have made Canada the most desirable country in the world to live in.

I have heard the howls of disbelief from the members opposite. They say they are a caring and compassionate government. They say what about the human deficit.

• (1225)

I listened carefully and the arrogant hypocrisy makes me very angry. Who do these people think they are that only they have compassion or care about people? The single most important reason I joined what is now the least respected profession in Canada, at least outside of this place, is my concern for the future of this country and what 30 years of Liberal and Tory governments have done to the future of my children and grandchildren.

What this government is doing to future generations of Canadians is not caring or compassionate, it is greed and selfishness; it is the me generation saying: "I am not going to live within my means and the next generation cannot only pay for my greed but can no longer enjoy the benefits and the standard of living this me generation has had".

The best example of this greed is the refusal of the Liberal caucus power brokers to give up their gold plated pension plan. As long as I am a member of the House I will do everything within my power to see that the first pensioners who do not receive an old age security pension check because the country is broke will be the same greedy politicians who mismanaged this country to the point we are at today.

The examples of mismanagement are everywhere. A few examples lie within my portfolio as natural resources critic. Petro–Canada is one of my favourites. Every budget since 1984 has promised to privatize Petro–Canada. Canada's window on the energy industry was created by the Liberal government at a cost of over $5 billion. Petro–Canada has never provided any benefit to Canadians that could not have been provided by the private sector. Governments since have never had the courage to admit to Canadians they will only be able to recover less than $2 billion of the $5 billion it cost to create Petro–Canada. Although this is the second Liberal budget that has promised to privatize Petro–Canada, I doubt very much if it will happen soon.

Let us have a look at how this budget and this government in past budgets have squandered Canada's natural advantage in the world marketplace. Gasoline, a favourite cash cow for governments, has always been a cheap source of energy. It has allowed compensation for Canadians for the great distances we must move our produce and our people compared with other countries.

Governments have gone back to the well so often that in the last 10 years taxes on gasoline have risen by over 500 per cent if one includes the 1.5 cent increase in this budget. Almost 25 cents of every 50 cent litre of gasoline is tax. At the same time the government is moving to eliminate transportation subsidies across the country. Long gone is our natural advantage. The U.S. is importing Canadian crude oil with a $1.40 dollar, refining that oil and selling the same gasoline at almost half of what we are paying in Canada.

The final example is the elimination of the income tax transfer on privately owned utility companies. The finance minister stated in his budget that if government does not need to run something, it should not and in the future it will not.

How many provincially owned utility companies will ever consider privatizing under these circumstances? In spite of vowing to prevent discriminatory taxation against Alberta during the election campaign, the Minister of Natural Resources remains totally silent on this issue in the House.

I could go on endlessly but time does not permit. The budget does, however, represent a dramatic reversal in Liberal philosophy which the reform Party can take some credit for. That shift is so dramatic that even some of the Liberal dinosaurs in the Liberal caucus have threatened to withdraw support for the budget.

As dramatic as this change might be, it does not go far enough to break the back of the deficit. If in the next three years the government cuts $12 billion from spending and the interest costs rise by $12.7 billion, I hardly think the monster has been mortally wounded and I am sure after a short respite it will be back to threaten to destroy our economy.

• (1230)

Already the real agenda begins to leak out in well planned trial balloons. The Prime Minister says our health care system will be reduced to the provisions of 50 years ago. Liberal members are suggesting that the minimum pensionable age will have to be raised to 67.

These adjustments to our social safety net may indeed be necessary, but who knows? This government clearly has no plan to balance the budget in the foreseeable future.

One fact is indisputable. By postponing the balancing of the budget to the year 2000 or beyond, the cuts that will have to be made will be far more destructive and devastating than those proposed in our taxpayers budget. This is where the deceit and the dishonesty in the Liberal budget lie.

I think the Prime Minister and the finance minister would do well to heed the words of a very wise man, F. J. Clark, when he said: "A politician thinks only of the next election. A statesman thinks of the next generation".

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I want to point out one item of reference in the hon. member's remarks and then ask him a question.

I suppose it was primarily rhetorical in his remarks but he did refer to a deceitful budget. I am sure he and his colleagues recognize that a budget is a budget is a budget. Canadians can add and subtract. They can assess the wording in the statements of the Minister of Finance, the positions of the government and the Prime Minister and at the end of the day Canadians will make up their minds.

I do not think Canadians believe that they have been seduced or have been dealt with deceitfully in any way or that they even see deceit as part of the intent of the government. I hope the hon. member will accept the comment that the deceit referred to by him is purely rhetorical and not helpful in analysing the budget. He is certainly entitled to his views.

In an economy like Canada's when the measured overspending in the economy runs up to $25 billion or even up to $40 billion, a material proportion of overspending, if we were to simply stop or reduce the federal spending by approximately 20 or 25 per cent, if the overspending was that great, there would be a serious negative macroeconomic impact. This would put the country again in recession and would defeat the kind of economic growth that permits the country to build its way out of the recession and the overspending at the same time. Would the member not agree?

Mr. Chatters: Mr. Speaker, the deceit that I speak about is not in the figures in the budget. It is the failure to tell Canadians honestly and truthfully the measures that will inevitably have to be made. We have no alternative but to cut another $25 billion from government spending or increase taxes to reach a balanced budget. That is where the dishonesty and the deceit lie in this budget.

To answer the question, I do not think the hon. member is correct in the assumption that those kinds of cuts would have a destructive effect on the economy. Certainly that has not been the case demonstrated in Alberta where government costs over a three year period have been reduced by 20 per cent. In fact, the exact opposite has been true. Those cuts have had a stimulative effect in the private sector and unemployment continues to drop.

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, it is a privilege to speak for my constituents about Liberal fiscal policy.

• (1235)

On March 10 I held a town hall meeting in New Westminster—Burnaby. I heard firsthand how the budget is viewed. I regularly consult with my constituents about what they want in fiscal behaviour from this government. There are usually a variety of views expressed but there is one theme that is clear.

Our constituents may not be sophisticated economists or financial analysts, but they know in their hearts that the country is in deep financial trouble. They know that the economy is performing well below its potential.

When they ponder a little bit about what is wrong, they very quickly mention all the taxes they give to the government that are being frittered away in unproductive interest payments instead of being applied to social development and basic services. It is a simple concept for my constituents to grasp.

They also do not like the cutbacks that will be necessary to get the fiscal house in order. They ask: How did it get out of hand? Why are we planning to waste 50.7 billion tax dollars in interest to service past debt? That money could be spent on so many needy things or much of it should be left in the hands of the taxpayers for them to invest for their needs under their own control.

My constituents do not buy it when the finance minister says that everything is okay, government is on target and that they should trust it. My constituents know that each week when they go to the grocery store it costs a lot more to fill the shopping cart.

Some of my constituents know what it is like to line up at the food bank or to search hopelessly for a job. Some of my constituents suffer directly from the fortunes of the economy. I do not blame them if they get a little cynical and radical in their language when they express how the economy is not working for them.

If the finance minister keeps promising that some day a better employment picture will be there for them, make it clear that consistent deficit financing kills the economy. Government annual borrowing beyond the capacity of the economy to support the debt really hurts people. This government is hurting people.

Governments cannot create lasting jobs but they sure can affect the climate of private commerce where jobs are created. Governments can very easily mess things up through misguided intentions and mistaken assumptions.

The message I give to the Prime Minister is this: Your policy is callously hurting the Canadian people. The uncaring arrogance of pursuing discredited deficit targets is immoral. Three per cent of GDP is a scandal. The verbosity of the finance minister that reflects the bankrupt Liberals' social philosophy is a cruel hoax upon those on the margins of the economy: the poor and those who are helpless dependents on the social safety net.

Successive deficit financing kills the economy. Deficit financing eats the heart out of the social safety net. This Liberal budget plans only for more deficits. It is a plan that admits defeat in all its projections and then expects praise for the capitulation.

Chronic unemployment hurts the soul. Folk in my riding want a job. They also want hope. They want hope that there is light at the end of the tunnel, and hope that someone in government has set a course to a new Canada.

My constituents are willing to pay their fair share of taxes. However they get very angry about the conspicuous waste of this government, especially in view of the finance minister insincerely usurping the Reform Party pledge to have a government that lives within its means. Then he delivers budget numbers that betray that pledge.

I am standing here in this Chamber today on behalf of my constituents to say what they want me to say for them. Their message is clear. It is a message of two words, just two words, two elusive words which I prophesy will never be grasped by these Liberals. The two words are: balanced budget. One can be a little disappointed that those words are so easy to say and so easy to contemplate, but sadly never to be obtained by this group of old–fashioned Liberals, the tired system defenders.

What is the government planning for us in its wisdom that it says we need? A deficit. A deficit of $24.3 billion in 1996–97. The sad part is that the finance minister says he is proud of this. He is a blind system defender instead of an agent for change, hope and renewal.

I know the minister listened closely to the leader of the Reform Party when the taxpayers budget was presented on February 21. The plan proposed to lower the deficit to zero in three years. The numbers are all there in black and white. It is a wise and reasonable target and a pragmatic plan. However, the minister simply did not have the courage.

People expect governments to do the right thing. They expect governments to keep spending under control. They expect governments to always keep their financial house in order, for it all is in a trust relationship on behalf of the citizens.

• (1240)

What has this budget done to prove to the public that the government is on the path to solving this fiscal crisis? It is clear to me is that the only way we go after the accumulated debt is to first go after the annual deficit.

Last month was the finance minister's chance to really make a difference. The political mood in the country was there, but no resolve was taken by the minister. Canadians will surely suffer because of this irresponsibility of the government. It is a legacy of missed opportunity.

With this budget the debt is going nowhere but up. As a percentage of GDP, the net public debt for 1993–94 was 71.4 per cent. For 1994–95 the prediction is 73.2 per cent. For 1995–96 the prediction is 73.5 per cent. For 1996–97 the prediction is 73.4 per cent.

The minister boasts of his deficit as a percentage of GDP. Well, what about the debt percentage? What a pitiful shame. We are getting nowhere. Even more significantly, the overall real debt that must be served by this one Canadian economy and our one group of Canadian taxpayers is more like $1.7 trillion, if all factors are considered for our population of 28 million.

The Reform Party has shown with the taxpayers budget that it is serious about moving forward and manifesting substantial innovation. Should the Liberals follow through on their election promise to be more innovative with economic policies, may I suggest that they take a closer look at the Reform Party's taxpayers budget. Just in case members opposite do not know what this is called, I remind them that it is simply called leadership by example.

In his speech the finance minister said that the budget must focus on cutting spending, not raising taxes. I think I have missed something here because when I was driving to the Vancouver airport this past week I noticed that the gasoline prices have really jumped. I thought the minister said he was not raising taxes. I heard one Liberal member say that at least there were no personal tax increases. Well, the last time I filled my car with fuel, I used my cash to pay for it and that makes it a personal tax.

South African author Nadine Gordimer summed it up best: The truth is not always beauty, but the hunger for it is. Canadians want the truth and they rightly deserve it. They want a government that bases its principles on honesty and integrity.

The budget of the finance minister puts the best face on a sad situation and yet he smiles. The minister is a well meaning gentleman who does not take kindly to my words about him being cruel to Canadians, but his face is covered over with his Liberal social philosophy. The captain of the *Titanic* was also well meaning. Former British Prime Minister Chamberlain kept hoping beyond hope in face of dark storm clouds, a nice individual.

We need a dramatic course correction. We do not need to hit the berg. We need a reality check against false hopes. We need to take immediate remedial action.

I call on the finance minister to table a plan that will balance the budget and save social programs. Table a plan that begins to wind us out of the national debt trap and lowers taxes so the economy can take off again and produce those badly needed permanent jobs.

Through you, Mr. Speaker, I have a message for the Minister of Finance: We know you are only a Liberal, but take courage and Reformers will help you. Save this country and lead us responsibly. Lead us by example with true fiscal responsibility.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I listened to the speech of the Reform member and I must admit that there was some truth in it when he said that, whatever happens, Canadians will have to deal with a huge global debt in the future. Some people ask how Quebecers will ever pay their part of the federal debt if they choose to form a

sovereign state. We can say for sure that if they remain within Canada, they will definitely have to deal with that debt.

Does the hon. member not agree that this colossal and uncontrollable debt is not so much the result of inefficiency on the part of individuals—although there might have been some of that—as the result of an unhealthy competition between various levels of government? Were we not overly greedy for visibility and did we not try to make sure that provincial and federal levels would invest equal amounts in any project on the map? Sometimes we announced projects which were not entirely realistic, the investment in Hibernia for example, just to make up for the weaknesses of the economic policies implemented by the central government.

• (1245)

Did we not also lose control over the budget largely because of the confusion of jurisdictions? We never know who is responsible for a specific issue, the federal government or the provinces. Does the hon. member not believe that the solution lies in a major change in that area so that each level will know perfectly what are its own responsibilities and what it will have to deal with in the future?

[*English*]

Mr. Forseth: Mr. Speaker, the member talked about unnecessary duplication between provincial and federal governments. I remind the Bloc member that a lot of the duplication found in Quebec is because the Quebec government, with its independent mind, wanted to unnecessarily duplicate federal services.

He should also bring the message to Quebecers that under the Reform Party plan Quebec could truly be master of its own house and provide some of the services they have talked about. A Reform Party government would find that vision. That is the message that we want to get through to Quebecers.

On the other issue of deficit financing, is he suggesting that if Quebec leaves Confederation it will abandon its social responsibility and abandon the debt created in its name? Studies have shown that although Quebec represents about 25 per cent of the population, consistently over time it has received about 30 per cent of government spending.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, thanks to some now well known communication technology, the minister of finance had organized the release of his 1995–96 Budget so that the Canadian public would be prepared for the worse.

The medias took part in this, and we could hear or read comments from reporters, analysts and doomwatchers predicting, before the fateful day, that the Budget would really hurt. So we had to take advantage of these last moments before the axe would fall.

On the said day, everyone was almost unanimous. It was not so bad after all. Only the opposition members were criticizing. And criticisms from Bloc members and Reform members are normal, since that is their job. That is why they are here.

So, instant relief replaced the anxiety of the day before. And the ink that was used to print that budget had hardly dried before that the relief was replaced with concern. Why? Because several of the cuts announced will once again affect the poorest of our society, or the middle class which, ultimately, pays more than its fair share. Because several government decisions were put off indefinitely.

Subsidies to transportation in the East were eliminated. The federal government will now have to agree with the Quebec government on what to do about the $80 million, or $15 million a year, needed to compensate for the loss of subsidies in transportation. There is some uncertainty about whether that money will be used to build many kilometres of highways or to create permanent jobs.

Are we going to be bright enough to devote only a small part of these millions to asphalt and the major part to an investment fund to promote the creation of lasting jobs in eastern Quebec?

Changes in unemployment insurance rules, but the reform is shelved for now.

As for old age pensions, the universality principle is questioned due to the introduction of a family income principle which, when implemented, will be detrimental to many women who will be deprived of their pensions because their husbands have high incomes.

Transfer payments to provinces are being reduced through the creation of what the hon. member for Outremont called the NCST. I hope it is not a venereal disease, although it might be just as bad.

Post–secondary education financing and the loan and grant system for students are being modified.

The defence budget was not cut enough.

Family trusts will remain unchanged until 1999.

Taxpayers are the only ones to foot the bill through increases in the price of cigarettes and gas.

• (1250)

The lobbying by banks and large corporations worked well, their tax increases were so insignificant that we are almost justified in saying that the rich were spared by the last budget. The poor, the unemployed will pay about 120 times more than these large corporations. Yet, the banks had profits of $5 billion last year, which was not the case of the unemployed.

Now that we are over the sigh of relief that followed the budget, we have to face reality. Several reforms will wait until after the referendum. Liberals are asking the people of Quebec to vote no. Yet, if we believe the recommendations of the C.D. Howe Institute, voting no means saying yes to hard times. The federal government is offloading its problems onto the provinces and there is no doubt that Quebec and Ontario are the hardest hit.

The deficit is still too high and the budget is doing nothing to deal with the debt. How is all this going to affect Canada's famous credit rating? There is still a lot of suspense regarding this budget, and we do not yet know its complete aftermath. Already, some of those who, at first, gave it the benefit of the doubt, are getting disillusioned. This budget does not stand up to a serious analysis. Tomorrow might be too late.

While we are waiting for the government's real agenda to be exposed, let us have a closer look at the Department of Canadian Heritage budget. Although the CRTC is holding hearings on the information highway, even though the department has already recognized the critical role of information in the economy of today and tomorrow, the budget makes further cuts in the so–called cultural industries.

Conservative and Liberal budgets come and go and are almost identical, but for the fact that Grit cuts are going to be more drastic that Tory cuts, without solving the issues of the deficit or the debt. Therefore, one must wonder who really benefits from this budget. Certainly not the CBC since, in spite of the stubborn denial on the part of the Canadian heritage minister, the announced cuts from parliamentary appropriations will indeed amount to $350 million over the next three years. We never saw the likes of this under the Conservatives who at least had the decency to keep up appearances.

Important cuts were made to Telefilm and the National Film Board which stand to lose $17 million in 1995–1996 alone, and that is over and above the more than $100 million they have lost since the Mazankowski reduction plan went under way.

The budget also indicates that the department intends to order a review of the mandate of these three agencies and to readjust their funding accordingly. Some people are concerned about this operation, and rightly so, given the importance of the presence of Quebec and Canada in this North–American sea of English.

The publishing industry will also be hard hit. For example, we expect over the next three years a 24 per cent cut in the mail subsidy program which is considered a direct subsidy to help Canadian magazines pay part of their mailing charges. These charges will now be offloaded onto the subscribers. So, for us, this will mean another indirect tax.

Indeed, following the program review process, Heritage Canada will lose over three years around $676 million, almost 25 per cent of its total budget. At this time, we have no further information on how these cuts will be made. We only have concerns.

We also know that some programs relating to our Canadian identity are doing fine. For example, lieutenant–governors will be awarded a pay increase next year. Why are these individuals not subject to the same rules as the rest of the public service, and members of Parliament and senators, whose wages have been frozen for three years?

• (1255)

Why are lieutenants–governors an exception to the rule?

Mr. Loubier: It is a disgrace.

Mrs. Tremblay: You said it.

The Council for national unity will continue to benefit from Ottawa's generosity. It will receive over $800,000 from the Open House Canada Program, which allows young people from the middle and upper class to travel across Canada, learning to love their country through official propaganda. The overall budget of this program is $2.2 million.

We also have to add to the Canadian identity budget the expenses that will be incurred for the six trips that the royal family will make to Canada during the year, at our expense of course.

Meanwhile, the government announces a 21 per cent cut in the arts program, a 13 per cent cut in the heritage programs, a 24 per cent cut in the cultural industries program, a 20 per cent cut in the official languages support program, the major part of which will be passed on to the provinces through cuts in second language training funding. It also announces a 20 per cent cut in amateur sport just one year before the Olympics in Atlanta even though, when interviewed by the CBC in Lillehammer, the Minister of Canadian Heritage had promised the world to our athletes. This promise has changed into a 10 per cent cut in funding.

At the same time, the increase in corporate management services spending will be 13 per cent. Thirteen per cent more to manage a department whose minister never has any clear idea of what he should be doing. I hope that he will at least take advantage of those 130 extra jobs in his department to answer our questions.

Fortunately, the cultural affairs budget of the Department of Foreign Affairs will remain unchanged, at $4.7 million, although there has been a change of policy and the emphasis is on the NAFTA countries, and Europe is left out. That way, Quebecers will have no more visitors from the Francophonie. Are we to understand that some ministers wield more influence than others?

Most of my remarks have been on cuts in the cultural sector and what I consider frivolous spending subsidized by the department. While in times of austerity and financial difficulty it is normal for the government to try to rationalize its expenditures, it should establish a set of priorities to do so. The priority

for the Department of Canadian Heritage should be cultural products. Even in times of budget restraint, cultural products should be protected from cuts, since they are the key to the future. The government should invest more in this area.

We can readily support our cultural industries and find money for research and development in artistic creation with cuts to departmental expenditures and by eliminating empty programs like the campaign promoting the Canadian flag, raises to the lieutenant–governors and grants to federalist organizations, without naming any, to enable them to do their propaganda work during the referendum.

The minister is sacrificing the production of cultural works for programs that attempt to promote an empty, artificial identity aimed at imposing a national identity on everyone and denying ours. The situation at present in cultural and communications matters clearly indicates that the head of the department cannot give us what we need to go forward.

Worse, if the present is an indication of the future, we will see that the minister is more inclined to protect programs promoting Canadian identity, like promoting the flag, than programs that provide for investment in cultural products as such, something that would be more in keeping with the requirements of our historical context.

Heritage Canada still sees culture in folkloric garb, when it long ago moved into the age of telecommunications and the information highway.

As we live through the technological revolution, it is vital that we have a Minister of Canadian Heritage who is credible and capable of defending cultural interests in cabinet. We are therefore asking Mr. Chrétien to act accordingly.

• (1300)

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, I think that the Heritage critic did a good job of demonstrating how inefficient the Department of Canadian Heritage is.

I would like to comment on transportation subsidies in particular. For decades now, certain businesses in the east of Canada and in Quebec as far east as Lévis or La Beauce have received financial assistance to transport their products.

The government decided to cut these subsidies. I do not think that people strongly disagree with this decision, but the regions affected would have wanted the government to do an impact study first. Instead, the regions are facing radical cuts, the short–term economic impact of which is hard to predict. The decision will affect each industry differently, some favourably, some extremely unfavourably.

The hon. member for Rimouski—Témiscouata's speech contained some novel ideas and some interesting suggestions on which I would like her to elaborate. In particular, will she specify how we can ensure that the money invested in the compensation fund will have lasting effects? How can we avoid finding ourselves saddled with investments that we will be forced to abandon five years down the road? Will she propose a solution which will guarantee that the money invested will have a lasting impact and enable the economy of eastern Quebec to turn the tables around and, once and for all, enable it to harness its strengths, skills and its bountiful natural resources and break free from the central system?

Mrs. Tremblay: Mr. Speaker, I will certainly not make myself very popular by replying with my usual frankness, but there is, I believe, in our region, a politician who has built his career on the Cacouna—Rimouski highway. I think that it would be a monumental error to invest the whole $80 million in asphalt. In five years, the few companies that laid the asphalt would have benefited financially, and in another five the road would be full of holes again and there would be no money to pay for more asphalt.

I think that it is important to use some of the money—say 25 per cent—to do some resurfacing if necessary, widen the highway in spots, bypass a few towns, do some grading. There is work to be done. But I think that the greater part of the $80 million, around 75 per cent, should most definitely be put in an investment fund for the development of eastern Quebec, to create sustainable jobs. Eastern Quebec needs jobs if people are to stay.

When we have a highway and everyone has gone to Montreal, we will need something more to interest tourists in visiting the Gaspé. And that something is people, development, infrastructure. We need an investment fund if we are to succeed, money that would be loaned to companies and that they would have to pay back.

This would ensure a long term fund that would continue over 20 or 30 years, because those who left would pay us back and we would always have money for job creation in Eastern Quebec.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, I wish to congratulate my hon. colleague from Rimouski—Témiscouata, who, with his well–known verve and oratorical skills, demonstrated that this budget is even more conservative that the one the Tories dared to table when they were in power.

She put her finger on one of the government's shortcomings by saying that there was no one to defend culture on the government side. On hearing that there was no one to defend culture, I wondered who, in the last year and a half, has been defending the most disadvantaged as well as students, seniors,

middle–income earners and workers? They have shown how trigger–happy they are in their handling of the rail dispute.

• (1305)

The Liberals are knuckling under. They even knuckle under history when we ask them to correct it. Last night, I felt sick when the Liberals on the other side of the House refused to correct history regarding the high treason charges against Louis Riel. They even refused to refer the matter to a committee of the House. I was appalled.

So there is no one to defend the most disadvantaged, to defend culture, to defend students, middle–income earners and workers, to defend history. What has happened to the Liberals since the election campaign, when they presented us with a red book full of humanitarian and social democratic principles as well as promises to defend the most disadvantaged? What has happened since then? I am putting the question to my colleague.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): This is an excellent question, Mr. Speaker. I must say that, as usual, the question was planted and I am stuck. Anyhow, as far as knowing what happened to the red book is concerned, I say it is at the National Archives. That is what happened to it.

Some hon. members: Ha, ha!

An hon. member: They are in the red.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata): The Minister of Canadian Heritage runs his department so well that he must have hidden the book carefully, or in the National Archives. Or perhaps it is in the waste basket.

I think, dear colleague, that you have drawn the essence of what I wanted to convey in my remarks: this budget is worse than any budget tabled by the Conservatives. The Liberals are making cuts that are more severe, in a way. They boast left and right that they want to manage properly their great Canada, the best, the number one country in the world, and so on. But they are forgetting one thing: they are not getting money from those who have it. This way, those who keep sending them money during their fund raising campaigns instead of spending it on taxes will be able to continue supporting them. So, the wheel turns and traditional parties are maintained in power because of this.

We are often accused of having our motherhouse, or head office, in Quebec City, but it is well known that theirs is Power Corporation. Just take the piece on satellite television published in *La Presse*. They sought the opinion of the public, but on the corporate side, they only sought that of Power Corporation, while this a very widely known issue. They could have met with officials from Cancom, Expressvu and others, but no, Power Corporation of Canada managed to get exclusive coverage in *La Presse*, to show off. Everything else was left out.

It is all in the family and it is clear that they failed to check their red book carefully before preparing their budget.

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I would like to take a few moments to compliment the hon. member on her excellent speech. I think it hurts the government to hear the truth, to hear what is really in this budget. My question will be very brief. I know that the hon. member is a formidable defender of the status of women. I would like to hear from the hon. member what this budget has to offer women in the way of unemployment insurance and wage equity, for instance.

Mrs. Tremblay (Rimouski—Témiscouata): Mr. Speaker, very quickly, because I do not have much time left, I think that as far as women are concerned, the budget is again a total loss. The government wants to apply the principle of family income to unemployment insurance and in so doing will put women at a disadvantage. The government transferred the equal opportunities for women program from the Department of Human Resources Development to the Department of Canadian Heritage, but funding was reduced. Since this was discretionary funding that could be used for political purposes, the program was transferred to the Department of Canadian Heritage. How much are they going to give?

The Canadian Advisory Council on the Status of Women, the only agency that did research on the status of women, was shut down. It is no more. So this government has chosen to ignore women, youth, the poor, the elderly, gays, and just about everyone, except the rich who line the party's coffers.

• (1310)

Some hon. members: Hear, hear.

Mr. Duceppe: Mr. Speaker, I would appreciate it if you would give me one minute's notice before the end of the period for government orders so that we can proceed as agreed with respect to the division on this bill.

The Acting Speaker (Mr. Kilger): Does the official opposition Whip also wish to take part in the debate?

Mr. Duceppe: Yes.

The Acting Speaker (Mr. Kilger): In that case, the hon. member has 20 minutes, and I will interrupt his speech at 1.29 p.m.

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, I welcome the opportunity to speak to this bill, and I

have the impression that what I say could be used next year, since most of the decisions will not come into force until then.

Some hon. members: Hear, hear.

Mr. Duceppe: This will be two speeches rolled into one.

An hon. member: Save on words.

Mr. Bonin: In athat case, take only ten minutes.

Mr. Duceppe: No, I will take all the time allocated to me. You will learn something. People can learn something at any age, even on the other side of the House.

The government talks about decentralizing but and the only thing they have decentralized is the deficit. They have shipped it out to the provinces, and this is pretty obvious in the case of Ontario and Quebec, where these provinces will assume 71 per cent of the cost of transfers that will no longer be made. There is nothing for jobs in this budget either. They campaigned on the slogan: jobs, jobs, jobs. There were two "jobs" too many. The infrastructures project lasted a year. However, it is now being extended to get ready for the next election, and then they will extend it again. This is like politicians who promise a bridge during every campaign, even when there was no river.

This budget also maintains the privileges of the wealthy. I am thinking of family trusts. The government says it did something about family trusts, and oddly enough, that something will kick in in 1999. The government is giving these people plenty of time to get ready. It is saying: watch out, we are coming, but not right away, there are still plenty of tax loopholes. I suppose the government even points them out. Meanwhile, it claims that it has done something about family trusts.

The same applies to flags of convenience. This is a rare occurrence. Not often do you see senior government officials who own companies. Of course they declare those interests; they do not manage their companies while they are cabinet ministers. However, some companies use flags of convenience, including Canada Steamship Lines, which belongs to the Minister of Finance and whose ships fly a Panamanian flag. This is unusual indeed. The example comes from the top. Taxpayers are told: make an effort, pay your taxes, but this does not apply to me. K.C. Irving also used convenience flags.

Mr. Bellehumeur: Great Canadians.

Mr. Duceppe: Great Canadians. Mr. Irving also received the Order of Canada, while in the Bahamas.

Is this the ferocious attack against the wealthy? As long as the example will not come from the top, do not expect people to make efforts and to see black market activities stop.

Take Canadian Pacific. The company made profits of $422 million last year but did not pay taxes. The teller at the Royal Bank pays more taxes than the Royal Bank itself. This is incredible.

Some hon. members: Hear, hear.

Mr. Duceppe: We are told that banks will have to pay $100 million in new taxes over a two–year period. Yet, the Royal Bank, and let me check to make sure I am not mistaken, made profits of $1.2 billion last year, and we are told that all the banks together made—

Mrs. Tremblay: Five billion.

Mr. Duceppe: Five billion dollars. And we are told that all the banks together will have to pay $100 million in new taxes over a two–year period, in addition to being able to take advantage of all the existing tax loopholes. If this is the government's effort to make the wealthy pay some taxes, what would it be like if the government did not do anything?

In the meantime, the government targets the public service. I agree that some cuts must be made and the Bloc Quebecois can propose ways of achieving this.

• (1315)

However, who is this budget going after? The public servants, not Paul Tellier. Paul Tellier gets an annual salary of $345,000, plus approximately $50,000 in expenses and has an interest free loan of $400,000 at the Royal Bank, a "friendly" arrangement. I feel so sorry for these kinds of people. These are the people with the gall to say: "Let us get to work. Do not exaggerate; we have to tighten our belts".

We do not touch these people, but we hit the poor public servants. Eliminating 45,000 jobs in the public service represents 14 per cent of public servants. In Montreal, there are 21,000 public servants, more than in Hull, where there are 20,000. Montreal has the second largest pool of public servants next to Ottawa–Hull, which has 104,000. Since we know that there are 20,000 in Hull, that leaves 84,000 in Ottawa. As luck would have it, yet again.

An hon. member: Luck has a hand in a lot of things.

Mr. Duceppe: It is like the research centres that are on the other side of the river as well. It is a pretty tricky business.

So, for Montreal, this means 9 per cent of all public servants. Taking a look at the main departments and the cuts likely to be made in Montreal, it is clear the cuts will be huge ones, especially when we know there are no measures to soften the blow. No measures are planned.

If a total of 45,000 positions are cut nationwide, the total number that Montreal would lose of the 20,000 or 21,000 currently located there would be 2,730. That is a huge number! They are unionized jobs, generally well paid. It is a question of 2,730. But that is not all. Canadian National employs approximately 7,000 people in Montreal. We know that they want to

privatize. The Canada Post Corporation is also a big employer. The CBC employs 3,723 people. Everybody at the CBC in Montreal knows this, only the French section of course, and when I say everybody, I mean everybody except the Minister of Canadian Heritage.

The people who watch the news on Radio–Canada, which probably does not include the Minister of Canadian Heritage, know that 750 positions will be cut. I see my colleague, the government whip, gesture that, yes indeed, he knows that 750 positions will be cut.

Mr. Bellehumeur: He is nodding yes.

An hon. member: He agrees.

Mr. Duceppe: He would make a much better Minister of Canadian Heritage than the person currently occupying the position.

Some hon. members: Oh yes, oh yes, oh yes.

Some hon. members: Hear, hear.

Mr. Bellehumeur: It is true that almost anybody else could do a better job.

Mr. Duceppe: Mr. Speaker, I concede that that is not much of a compliment because there are many people out there who could be a better minister.

Some hon. members: Ha! Ha!

Mr. Duceppe: Those 750 positions at the CBC are also worrisome, quite worrisome. A Franco–Ontarian colleague who is here knows that this attack on the French section of the CBC will reduce the flow of information which is supposed to reach francophones outside Quebec, and I suppose that he is rather concerned about the government's decision, although the heritage minister is not. I would imagine that the government could function without the heritage minister.

Therefore, we could say that there are lots and lots of cuts. Cuts in the semi–public sector. I mentioned the Canadian National, we can see what is happening now. The rail strike was prepared jointly by companies, with the complicity of government, and this was very clear yesterday in the presentation of Paul Tellier. He said that he believed that people were making too much money, and that salaries and work conditions would have to be lowered; not his though. He is a wise man. He knows that charity begins at home.

They want to privatize, to reduce the number of jobs, the way they did it at the Angus yard, not far from my riding. At one time it had 8,000 employees. It is closed now, completely closed. People were promised the best job security plan, but today the railways are reneging on this promise.

These are major job losses at the Canadian National, major job losses at the CBC. If we add it all up, we are talking about 6,500 jobs that will be lost in the Montreal area within two years. I recall the excellent document prepared by the present Minister of Finance, when his party was in opposition, which proposed a strategic plan for Montreal. It received very good coverage in the press. There were two or three very good articles about it.

Mr. Bonin: You were against it?

Mr. Duceppe: No, we were for it. The economist who prepared this plan for the Minister of Finance was Pierre–Paul Proulx. When he realized that the Minister of Finance was dropping these principles, the man who was writing the speeches of the Minister of Finance joined the Bloc Quebecois, saying: It is hopeless. He was fed up and that is what he did.

• (1320)

I believe that the finance minister himself understood that had he been elected in Calgary, he might have implemented the plan for Montreal, which, I must admit, he knows well. But, because he preferred to be a minister with all the accompanying trappings, rather than being true to his ideas, he gave them up. Six thousand seven hundred jobs were cut in Montreal and nothing was done about it.

And yet there were groups in Montreal, organizations working to get the economy going again. I am thinking of community and economic development corporations or CDECs which work with community groups, employers, labour, and municipal, federal and provincial governments.

This is what we call partnership. During the 1993 election campaign, the Liberals promised the moon to these groups, giving them specific examples. Especially the minister responsible for Quebec regional development, who can still deal with community and economic development corporations, though he is prevented from dealing with other types of corporations. Such is the case of shipyards he can no longer be involved with since he has an interest in them. The same is true of trucking, and air transport, in both of which he also has an interest. He has lots of interests, but little time or no availability to get involved since he would be in conflict of interest. And yet, he still is responsible for regional development. These corporations came and still come under Human Resources Development.

The province and the federal government accepted to extend the agreements for three years and Human Resources Development for six months. For now, the development of these corporations has come to a standstill. We are told in confidence that the CDECs are expected to no longer come under the Department of Human Resources Development, but rather under the Federal Office of Regional Development. Considering the tripartite agreement that was reached, why not give immediate approval for another three years? The government is jeopardizing not only the very existence of these corporations, but most importantly all the work they carry out. This is crucial to the current situation in Montreal, because employment in this area will be affected not only by government cuts, but also by the lack of

measures to help workers and private corporations to adjust to NAFTA.

We were promised these measures by the government during the last election campaign. What good did they do? Hitachi is leaving; Northern Telecom is leaving. They are all leaving Montreal. Now I have heard some Liberals tell us: Yes, they are leaving the Montreal area. But why? Because of political instability. Of course. Now that the sovereignists are in office in Quebec, private companies are fleeing to settle in a more stable environment.

This is incredible. What about the stability in the country they have chosen to settle in, Mexico. The former president has fled the country, because his brother is charged with killing another candidate, with an assistant charged with killing two people. There is the rebellion in Chiapas. What a stable country. These people have the nerve to tell us that they are leaving Quebec to settle in a stable country, Mexico. That reminds me of Laurent Beaudoin, of Bombardier Inc., who stated in 1992 that investors are not interested in politically unstable countries. It made the headlines. And all the federalist politicians started saying the same thing without really trying to understand. If Beaudoin says it, it must be true because he is our friend, he pays. We help him and we have only nice things to say about him.

However, in the same week, there was a meeting at Bombardier and Beaudoin told us that the company's largest international investment at that time was the purchase of North Corporation. I do not want to frighten you, but North Corporation is in Belfast, Northern Ireland. Does it ring a bell? These kinds of arguments are worthless. We have to get back to this budget. Let us look at unemployment insurance.

An hon. member: It bothers them.

Mr. Duceppe: There would be a lot to say on this, my friend. It is the Liberal's turn. If you want to speak, just rise. If you do not have anything to say, then stop. The unemployment insurance fund will suffer a 10 per cent cut again.

• (1325)

We are being told that there are fewer unemployed workers in Canada. It is just like a physician saying that there are fewer sick people in the hospital because they are all dead. People who are no longer on unemployment insurance are now on welfare. And the government is proud to have reduced unemployment.

How can unemployment be reduced? By creating employment or by reducing access to unemployment. The Liberals thought that it would be easier to reduce access to unemployment. They look at the statistics and say that there are fewer unemployed workers. They are magicians. Choquette, the famous magician, looks like an amateur compared to them.

They can make unemployed workers disappear in an instant; they just reduce access to unemployment insurance. No unemployment insurance, no unemployed; no unemployed, no unemployment. Easy. Again, it will cost Montreal millions of dollars, because there are more unemployed people in that city than in the four Maritime provinces combined. That is terrible.

They take on the unemployed, not unemployment. Yet, how often did the Liberals talk about this when they were the opposition? In Montreal, 29 per cent of families live below the poverty level. I suppose that in the next budget they will decide to reduce that to 15 per cent: the poverty level now being set at $20,000, they will drop it to $10,000 so that there will be fewer people living below the poverty level. That is Liberal magic. This is a hocus pocus government.

The red book contained a hidden promise: Vote for us and you will be in the red. That is exactly what we see happening. I have to say that it is a promise well kept, no doubt about it.

The Biosphere and the St. Lawrence Centre plan come to mind. What is happening with this plan? Two or three press conferences were held about it. Actually, under the Liberal strategy, nothing happens before it has been announced ten times in press conferences. Therefore, it will be announced regularly over the next few months and then it will get under way.

Mr. Bonin: We have to make repeated announcements, so that you can understand.

Mr. Duceppe: Yes, and all the announcements are patterned after the original, to repeat the same message. And the Liberals are happy about that.

The design and fashion industry support program also comes to mind: we have heard nothing yet about it. I am reminded of all those programs like the National Film Board and Telefilm Canada that will be affected. One has to have a lot of nerve to make all those promises during an election campaign and go on and on about Montreal, only to come up with such meagre results. However, we have to wonder if the government, during the 1995 referendum campaign—

Mr. Bonin: When?

Mr. Duceppe: In 1995, my friend. There are twelve months in a year. I see that my time is up. We will soon continue the debate about Montreal in greater detail.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. Members: Question.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mr. Kilger): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mr. Kilger): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mr. Kilger): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Kilger): Under Standing Order 45, the recorded division stands deferred to Saturday, March 25, 1995, at the ordinary hour of daily adjournment.

Mr. Boudria: Mr. Speaker, I think you will find unanimous consent to have the recorded division deferred until next Tuesday, at 5.30 p.m., instead of Saturday.

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

Some hon. members: Agreed.

[*English*]

The Acting Speaker (Mr. Kilger): It being 1.30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

AGRICULTURE

The House resumed from February 13 consideration of the motion.

Mrs. Marlene Cowling (Dauphin—Swan River, Lib.): Mr. Speaker, I am very pleased to have the opportunity to speak to Motion No. 314.

When we debated the motion last month the Parliamentary Secretary to the Minister of Agriculture and Agri–Food told the House that the federal government had been taking steps for some time to reduce overlap and duplication and that we had been doing so in close co–operation with provincial and municipal governments and the private sector.

I will not go into detail about the initiatives we discussed in the House at that time, initiatives that clearly demonstrate the ongoing efforts of the federal government to reduce both overlap and duplication among the various governments.

However I should like to remind members of some of them. They include in depth discussions among the federal government, the provinces and the private sector regarding the implementation of a Canadian inspection plan, a federal–provincial protocol for the development of trade and the promotion of new markets, and talks we are holding with the provinces aimed at increasing the efficiency of the delivery of financial services to the agri–food sector.

As far as the last point is concerned, the Farm Credit Corporation and interested provinces are discussing strategies to reduce duplication of government services in the sector. As part of the process the FCC has acquired the $37.4 million portfolio of the New Brunswick Agricultural Development Board. We are also attempting to combine the lending services of the Farm Credit Corporation and the Alberta Financial Services Corporation into a single delivery point. Needless to say the initiative is exactly what is needed.

I could go on at length about the federal government's initiative to reduce overlap and duplication but I am limited by time constraints. Today I will focus on the content of Motion No. 314 and certain key aspects of the discussion on the motion, the basis of which I find puzzling.

The motion attempts to provide a starting point for negotiations based on the following three questions. First, what does it mean to reconfederate agriculture and why do we need to do it now? Second, what role should government play in agriculture? Third, what role should the agri–food industry play?

If the motion were adopted, the federal government would have jurisdiction over trade policy, trade distortion adjustment support, whole farm income stabilization programs, health and safety standards, and macrophysical monetary and taxation policy.

The provinces would be responsible for human and material resources, while the private sector would be responsible for all aspects of the business plan, from design to the sale of goods and services.

While all the reforms put forward in the motion may at first glance seem clear cut, a number of points are far from clear. Let us begin with the transfer of responsibility for all income stabilization programs to the federal government.

Such a measure is inconsistent with the significant progress recently made by the federal government and the provinces together, in the interest of Canadian producers. As a result of their concerted efforts, much progress has been made in this area.

We can think back to the situation that existed in Canada in the area of the income stabilization programs in the late 1960s and the early 1970s. The federal and provincial governments had their own completely independent rival income stabilization programs which distorted market signals to some extent.

• (1335)

In December 1994 after extensive discussions with the provinces we reached a federal–provincial consensus aimed at developing a renewed national whole farm income stabilization program. The program is an example of close co–operation between the government and is more in line with the interests of the sector.

In addition, as announced in the federal budget brought down on February 27, the $600 million allocated to the annual costs of the new whole farm safety net program will be increased by a contribution from the provinces and from the federal government, bringing total annual government support to producers to $1 billion.

A rational and effective national delivery system is what Canadian producers including the producers of my constituency of Dauphin—Swan River wanted. That is what we are attempting to give them.

It is in the interests of both federal and provincial governments as partners to play an active part in becoming financially responsible because their common goal is to contribute to a stable economy that will benefit all producers, in fact all Canadians.

A second point in Motion No. 314 that puzzles me concerns the proposed trade adjustment assistance program designed to counter the export subsidies imposed by the United States and the European Union. It seems clear to me that the cost of the proposal would be exorbitant and that it is largely inconsistent with our commitments under GATT and the World Trade Organization.

Adopting Motion No. 314 would be a large step backward. Given the current trade regime, no producer, processor or government can afford to lose 15 or 20 years of partnership, close co–operation and dialogue.

We owe it to Canadians including the people of my constituency of Dauphin—Swan River to move forward with the current policies and to build, to be innovative and to demonstrate ingenuity. The government has already initiated serious discussions on the issue with the provinces and the private sector. It has also launched many initiatives that have allowed it to transform itself into an innovative, flexible organization that is ready to face today's market and the market of tomorrow.

Therefore I feel I must defend the interests of a sector that is so important to me. Consequently I urge the members of the House to reject Motion No. 314.

Mr. Mike Scott (Skeena, Ref.): Mr. Speaker, it is with a great deal of pleasure that I rise in the House today in support of the motion of my colleague and friend, the member for Moose Jaw—Lake Centre.

I do not think I need to spend a lot of time explaining why overlap and duplication are not good. We talk about that all the time in the House. My colleagues have dealt with or will deal with various issues concerning jurisdictional problems that exist in the agricultural industry at this time. However there is one aspect of the matter that I want to discuss in the time allotted to me today, that is the general thrust of the bill.

Members of the House have heard me refer on many occasions to the recent observation by the Auditor General that there is widespread failure in our national government to carry out proper evaluation of legislation. We see a problem; we pass a law. We see another problem; we pass another law and so on. We never ask ourselves whether the problems we see are the sorts of things that can be solved by legislation at all. Often they are not. Nor do we really ask ourselves whether it is the right piece of legislation. Often it is not. The old line parties all too often fail to ask whether many of our problems are not the result of legislation in the first place and not a lack of legislation.

During the debate on any given bill the government says it is a good bill and the oppositions say it is not a good bill. However the government, having more members, will make sure that it passes in the House. The government keeps on saying it is a good bill and the opposition keeps on saying it is bad. Neither of them says how it should be measured.

When another election comes along both sides promise a lot more laws to solve a lot more problems, real or imaginary. However how often do say they will get rid of a law? I leave aside the promises of current government members to abrogate NAFTA or eliminate the GST because by now everybody knows they were just kidding. That is what I am supposed to say.

• (1340)

The result is that we keep getting more laws. We do not revisit them. Government bills on the whole ought to contain sunset clauses. Every law should have a sunset clause that would require it to cease to exist after five years unless it was specifically reauthorized. That would mean that Parliament would spend a lot less time passing new laws because it would be too busy re–passing old ones.

It would be good because it would be much easier for government to get rid of a law that had been a mistake if it could just quietly not re–pass it. It would be a lot easier than having to stand and say: "Gee, we goofed. We are sorry", which is what it would have to do now. I am in favour of a sunset clause because I do not believe that we need a whole horde of laws, certainly not a whole horde of new ones. We need to get rid of some old ones.

For instance, we were saved forever from scary guns that go bang by drastic gun controls in the 1970s. Now we are considering even more drastic gun control legislation. Should we instead be pondering whether to bother re–enacting the old law or whether the whole enterprise should be scrapped? Maybe we

should stop measuring political success by the number of laws passed and start measuring it by their quality.

American humorist P. J. O'Rourke talked about this point in his book entitled "Parliament of Whores". After quoting the purposes of the U.S. constitution, which are "to form a more perfect union, establish justice, ensure domestic tranquillity, provide for the common defence, promote the general welfare, and secure the blessings of a liberty to ourselves and our posterity", he asks: "Are we done yet? When can we quit passing laws and raising taxes? When can we say of our political system let's stick a fork in it and see if it is done?"

Our federal government exists to provide peace, order and good government. That is a bit of circle, a government that exists to produce good government. When can we stick a fork in the government and say stop passing laws; we have enough and they are the right ones? The essential first step would be to stop passing new laws all the time and start spending some of our time evaluating the old ones.

I urge the House to support Motion No. 314. Let us stick a fork in our agricultural policy and ask whether it is done. If it is not thoroughly cooked, let us ask if it is even cooking. Let us make sure we have not put a roast in a shoe box instead of an oven. Let us start evaluating our laws to see if they are working and abolish or replace old ones that do not work before we pass new ones. Let us start right here with this motion.

Mr. Joe McGuire (Egmont, Lib.): Mr. Speaker, I should like to make a few comments on Motion No. 314 sponsored by the member for Moose Jaw—Lake Centre.

I will use my time in the debate to discuss how the federal government has been working closely with the provinces, municipalities and industry to develop a new Canadian food inspection system responsive to consumers and industry.

We set out to achieve common standards in legislation and delivery for food safety and quality at all levels of government. At the same time we are committed to maintaining the high safety standards Canadians have come to expect. Our high national standards and systems have ensured that Canadians from coast to coast enjoy a food supply among the safest in the world.

The standards earn Canada a quality reputation that often provides Canadian industry with a competitive advantage in international markets. Our current food inspection systems involve all levels of government and their regulatory organizations. As a result, there is some evidence of duplication of inspection services.

• (1345)

For someone in the food industry there is nothing more irritating than to be visited by two or three inspectors from different levels of government, and worse still from different departments of the same government.

This is what the federal and provincial governments, in conjunction with industry, are trying to correct with the Canadian food inspection system.

Agriculture and Agri–Food Canada has already entered into pilot projects for sharing inspection responsibilities with a number of provinces. The department is negotiating with other provinces, and arrangements will provide for one agency to be responsible for inspection in any given plan.

Agriculture and Agri–Food Canada, Health Canada and other federal departments involved in food inspection are working with provincial agriculture and health officials, representatives of municipal authorities and agri–food industry representatives to develop a new Canadian food inspection system, a system with common approaches and standards and an emphasis on efficiency and effectiveness.

The benefits of a Canada food inspection system would be to streamline delivery of inspection services and to enhance market performance and industry competitiveness. Progress is being made in eliminating duplication in food inspection and we expect to have a fully integrated system in place in the near future.

[*Translation*]

The Acting Speaker (Mr. Kilger): Before we resume debate, I note that the hon. member for Jonquière would have liked to participate. But we must go back to the opening statements on Motion M–314, on February 13, 1995. The hon. member for Lotbinière asked for unanimous consent and said: "I will be the only speaker during the three–hour debate". I then replied: "—as the only spokesperson from the Bloc Quebecois on this bill—"

There might have been some confusion, but since the House gave its unanimous consent to the hon. member for Lotbinière, in all justice, I must also request unanimous consent to allow the hon. member for Jonquière to participate in this debate.

Are there any questions? At this time, I clearly state that I must ask the question to the House and obtain unanimous consent before I grant leave the hon. member for Jonquière to participate. There had been a commitment and the House had given its unanimous consent.

If I may explain more clearly, for government members, unanimous consent was requested by a Bloc Quebecois member who had prepared a twenty–minute speech and wanted to deliver it in full, even though the time limit was ten minutes. The House

gave its unanimous consent to the Bloc member and, at the same time, according to me, the hon. member for Lotbinière stated clearly that he would be the only member to participate in the three-hour debate on that motion.

Therefore, the House must give unanimous consent for the hon. member for Jonquière to participate in this debate today. Is there unanimous consent?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): The hon. member for Jonquière.

Mr. André Caron (Jonquière, BQ): Mr. Speaker, it is a pleasure to be part of the debate on the motion introduced by the hon. member for Moose Jaw—Lake Center and to support it.

The hon. member suggests in his motion that the government immediately pursue negotiations with the provinces in order to re-assign jurisdictional responsibilities in agriculture and eliminate overlap. I support the motion because since I have been in politics, I have always been very critical of overlap in various areas in Canada.

The Reform member has realized that overlap is harmful to agriculture and probably to the whole Canadian economy, then I am happy to see that he has woken up, at least in that area.

• (1350)

On the other side, it is ironic that a member of the Reform Party—which often claims to support Canadian federalism and refuses to see that there is an urgent need for a change in federalism, if it were possible—would introduce such a proposal. This is the kind of speech we have heard for a long time in Quebec, whether in the 1950s under Mr. Duplessis, in the 1960s under Mr. Lesage, and Mr. Lévesque who was a minister under the Liberal administration of Mr. Lesage in the 1970s. All nationalists in Quebec have opposed jurisdictional overlap in Canada and have used that argument to defend the idea that Quebec should become sovereign. Jurisdiction would then be clear and everyone would know exactly who is responsible for what.

I find ironic that a member of the Reform Party, which stands as a supporter of Canadian federalism, would present such a motion. Perhaps it means that it is possible that the Reform Party can one day reassess Canadian federalism. At the same time, I think it shows the Reform members' naivety. We have learned from experience in Quebec that, in matters of jurisdiction, the federal government never gives in.

During the 1960s and 1970s—I am not going back to the turn of the century here—, at a time of intense discussions on jurisdiction, the federal government was asked to get out of jurisdictions which are clearly the provinces'. It always refused because it views constitutional matters from its perspective of imperialistic federalism.

The federal government is held, by federalists, to be responsible for everything that goes on in Canada, to be entitled to intervene in any field where Canadians may have interests, no matter who has jurisdiction or what the constitution says. Every time that the Quebec government or Quebecers have addressed the federal government to point out that its jurisdiction had clearly been violated, the federal government, without denying that the Canadian constitution does not give it jurisdiction in a given sector, has relied on its spending power to intervene.

So, it uses its spending power to intervene in education, health, agriculture, manpower, in all fields about which provinces have protested, because Quebec is not alone in protesting against the central government's encroachments. Over the years, various provinces in Canada have defended their rights with the same results. It is always under its spending power that the federal government has intervened in provincial fields of jurisdiction.

In a sense, this was to be expected. Canada was built on a duality, on the fact that there are two peoples in Canada. Over the years, the federal government has grown. Other provinces were created and, in 1982, we found ourselves with a Canada made up of ten provinces, all of them having the same rights. Of course, Quebec rejected this unilateral change in the rules of the game. But the federal government, supported by the Supreme Court, proceeded to revamp the constitution. At that point, Quebec was, I would say, morally excluded from Canadian federalism.

• (1355)

That is why my support for the Reform Party's proposal is in line with the demands and philosophy of the nationalists in Quebec. At one time, in the nineteenth century, many Quebecers saw a future in Canadian federalism based to some extent on national duality. They were disappointed. We saw the federal government encroach on our jurisdictions. We saw Canada define itself without us. And this year, we fully intend to act accordingly.

We want to become a sovereign country, to ensure that our rights are defended as they should be, and that the Quebec government is able to intervene in all areas, in our best interests. In the longer term, we want the people of Quebec who have been around for centuries in Canada, who tried Canadian federalism and were disappointed, we want the people of Quebec to continue as such for centuries to come, to preserve their identity and take their place among the nations of this world.

Proposals like the Reform Party's motion confirm that our analysis of Canadian federalism is the right one, and we are increasingly convinced that the option we have proposed, which is to establish in North America a sovereign, French-speaking state, will mark the end of all these constitutional squabbles that are so counterproductive in Canada and Quebec and create a

political and economic situation that is not in the best interests of the people.

[*English*]

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, I rise to speak on the motion of the hon. member for Moose Jaw—Lake Centre on jurisdictional responsibilities in agriculture.

The federal government shares the view of the hon. member that we must constantly strive to eliminate overlap and duplication between areas of government jurisdiction. We must also ensure the public sector is directing its resources appropriately and for the greatest possible benefit to Canadian taxpayers.

These are priorities for our government. As my colleagues pointed out during debate on this motion in February, we have been working to these ends since the day we took office.

Given the tight fiscal restraints facing all levels of government it is quite clear that the key to the continued success of those and other efforts to support our agriculture and agri–food section will be co–operation; all stakeholders in the agri–food section working together toward common goals. It sounds like a dream in this Parliament but we will try.

We must first define a shared long term vision for the sector. We can then determine the appropriate role for each partner in making these goals a reality and adjust our programs and policies accordingly. That is exactly what the Minister of Agriculture and Agri–Food has done.

Last September the minister put forward a vision for the future of Canada's agriculture and agri–food sector, where we want to be in the years 2000, 2005, 2010 and beyond. He has invited all agri–food stakeholders to help refine that vision and develop a business plan to bring it to reality.

The vision which has been well supported by agri–food stakeholders across the country is for a growing, competitive, market oriented agriculture and agri–food sector; a sector that is profitable and responds to the changing food and non–food needs of domestic and international customers; one generally less dependent on government financial support and helps sustain a good quality of life in rural communities; a sector founded on farm financial security, environmental sustainability and a safe, high quality food supply. The federal government has built further on that vision in the 1995 federal budget while also ensuring that the agri–food programs and policies are consistent with current fiscal realities.

• (1400)

Under the budget the government will change the western grain transportation system to encourage greater efficiency and more market responsiveness; diminish transportation and other subsidies that distort production and marketing decisions; revamp the safety net system so farmers are less dependent on government dollars for their incomes and so we are not open to countervail by Canada's international trading partners.

We must emphasize adaptation, trade, marketing and rural development to ensure continued growth in all regions of the country. We must involve the private sector more directly in government research and inspection activities.

In addition, as a result of the recent budget decisions, Agriculture and Agri–Food Canada's budget will be reduced from $2.1 billion in this fiscal year to $1.7 billion over the next three years, a net reduction of 19 per cent.

The department will be implementing new ways of organizing activities to improve efficiency and maintain the level of service to the public. It will amalgamate and privatize a range of programs to save costs and improve efficiency. The department's workforce will decline by about 18 per cent over the next three years, a reduction of over 2,000 positions.

The staff reductions to be carried out at Agriculture and Agri–Food Canada are substantial. It is very important to make sure they are viewed in the proper perspective.

In introducing Motion No. 314 last month, the member for Moose Jaw—Lake Centre stated that in Canada at this time there is one public sector employee working in agriculture for every 14 farms, or one person on the public payroll for every 19 farm operators.

I would not argue with the hon. member's arithmetic, but it is important to note that the Department of Agriculture and Agri–Food is not solely devoted to supporting Canada's primary agriculture sector. The department and its employees are involved in nearly all aspects of agri–food business, from farm inputs such as machinery and fertilizer to processing and packaging to inspect and retail.

This is an extremely large and complex industry, accounting for some 18 per cent of Canada's GDP and directly and indirectly employing 1.8 million people, or some 15 per cent of the Canadian workforce. All 27 million Canadians benefit from our inspection systems to ensure the safety of the food we eat.

In considering the future, I do not think it is useful to compare apples and oranges or to consider one sector of the industry in isolation from others.

It is critically important that we ensure that the changes ahead help build toward our overall vision for the agriculture and agri–food sector. Industry stakeholders must move forward together in a co–ordinated and co–operative manner so that we

can take full advantage of our unique strengths and we do not waste our limited resources by duplicating each others efforts.

To those ends, the Department of Agriculture and Agri–food has extensive consultations planned or already under way in areas such as marketing, safety nets, grain transportation and the use of the new adaptation funds announced in the budget.

We will also be continuing our efforts with the provinces to amalgamate services in areas such as farm lending, trade and market development, inspection and industry adaptation.

The conclusion of the new GATT agreement last year and the announcement in last month's budget have resolved many longstanding uncertainties for Canada's agri–food sector and have helped to set a more definitive course for its future. As well the Minister of Agriculture and Agri–food has been working to develop shared long term goals for the sector and a plan for how to achieve them.

It is moving ahead with those efforts in a co–operative, forward manner and not by initiating a new process to completely reshuffle the jurisdictional deck, as proposed by the hon. member for Moose Jaw—Lake Centre, that we can best ensure the future growth and security in the agri–food sector and the most effective use of taxpayers' dollars.

For those reasons I must vote against this motion and encourage other members to do the same.

• (1405)

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Mr. Speaker, we are debating a motion that should be addressed by every natural resource in Canada, how to eliminate the overlap among three major forces, namely industry, and provincial and federal governments.

I have given this matter considerable thought due to my role as forestry critic for the Reform Party of Canada. Today I want to address my remarks primarily to what I believe should be the federal government's unique role regarding agriculture.

Agriculture is important in my riding of Okanagan—Shuswap, employing nearly 6 per cent of the workforce in the north Okanagan regional district and 4.5 per cent in the Columbia Shuswap regional district.

Central and northern Okanagan has 2,252 farms, producing last year 21,000 pigs, plus 3.46 million chickens and 2.3 million dozens of eggs.

In addition to B.C. cattlemen, we have dairymen producing milk from some 5,850 dairy cows. Part of the milk goes to the major brand name cheese in my neighbouring town of Armstrong. Chicken processing is also important with Colonial Farms handling five million chickens in 1994. We also have local hatcheries, seed companies and feed mills.

Small scale and home business suppliers are becoming the mainstay of farmers' markets like the one at Vernon with 180 members drawing big crowds every Tuesday and Thursday, excluding the winter months.

Perhaps the most obvious agricultural aspect of life in the Okanagan and our entire region of British Columbia are the 2,000 tree fruit growers that employ over 5,000 people on farms plus 2,500 in packing houses and support industries. Direct returns to the B.C. fruit industry include annual sales exceeding $140 million, generating over $700 million in B.C. economic activity. Even at the north end of the commercial tree fruit activity, the Vernon area has 3,270 acres of orchards, mostly in McIntosh and Spartan apples.

Those orchards of blooming trees every spring transform the rolling hills of the 200–kilometre long Okanagan valley into a kind of beauty one must see to believe. It is a big tourist draw.

In round figures, the Okanagan valley supplies 100 per cent of Canada's apricots, 39 per cent of its plums and prunes, 38 per cent of its sweet and sour cherries and 34 per cent its apples.

Of course Canadian consumers also buy fruit originating outside Canada. On the west coast during Christmas holidays people eat tons of Japanese oranges. That was one of the surprises of my coming to Ottawa, finding Christmas oranges called Clementines coming from Spain and Morocco.

I mention these points to lead into the fact that agriculture today is experiencing an earthquake in changes regarding the very foundations of trade.

The Minister for International Trade gave a speech March 14 in Australia. He mentioned the many recent developments, including the birth of the North American Free Trade Agreement and the World Trade Organization.

The Asia–Pacific Economic Co–operation Forum has agreed to reach free trade among its developed economies by the year 2010 and free trade among its developing economies 10 years later. The countries of the entire western hemisphere have set the year 2005 as their target for free trade. Therefore 10 to 15 years from now, Canadian farmers will be marketing their products in a totally free trade environment.

When the movement of goods, of capital and ideas was limited to the speed of a sailing ship or a camel caravan, individual rulers could hope to run their countries in whatever fashion their local people would tolerate. Today, technological innovations are rebuilding the world of trade from the bottom up. Children in our schools are logging on to the Internet and learning to communicate almost instantly with people all across the planet.

• (1410)

If a supplier cannot get the desired product quickly, reliably and at a reasonable price from one farmer, he not only can ask the neighbouring farm, he can even phone or fax the neighbouring country or even the neighbouring continent.

As an illustration of what is happening in international trade, the March 10 issue of "Export News" listed some coming agricultural events: Foodaworld '95, the third international food processing systems fair; the 11th international ice cream show; the third international bakery show. None of these international events in agriculture or in agri–food is taking place either here, in Europe or North America. China, Turkey and Argentina are the places.

International trade in agriculture is a far cry from the day when Sir Walter Raleigh told Queen Elizabeth I of England that natives in the new world were growing a peculiar leaf so they could roll it up and smoke it.

The Reform Party supports free trade and has supported it for many years. However, we also demand that free trade mean fair trade. The federal government must work for a level playing field.

During these transition years there will be many international disputes involving natural resources; some because of short supply like the current fish war with Spain. Many other trade disputes will involve claims like the apple dumping dispute last year in which many Canadian growers faced bankruptcy because the dispute settlement mechanisms involved a delay far too long for something as fragile as apples.

No body but the federal government can straighten out these international trade disputes and ensure that dispute settlement mechanisms built into all our free trade agreements provide adequate protection for Canadian growers.

The federal government must assign top quality people to handle all agricultural trade disputes which certainly lie ahead for our nation.

I see this international trade expansion as being the primary and permanent role of the federal government regarding agriculture.

A second federal role derives from the first one. In recent years the dismantling of the Berlin wall has become a symbol of what will happen to our farm marketing boards. Quotas, tariffs and subsidies to farmers will certainly soon become as rare as grand–daddy's pocket watch. International free trade will require them to come apart brick by brick just like the Berlin wall.

Farmers must be assisted in making the transition from Canada's old supply managed economy to the fast paced world of free trade. Farmers' voices must be the ones heard when government asks how to proceed. Monopolistic and non–democratic groups made up of government appointees such as the Canadian Wheat Board will become as outdated as the old steam thresher parked at Three Valley Gap's ghost town in my riding of Okanagan—Shuswap.

Therefore, the federal government must not only negotiate well to start with, it also must provide gradually reducing income support for farmers being hit by these changes.

It has been the position of the Reform Party that Canada must move to free and fair trade and that policies and programs to support the agricultural sector during this transition must be developed by the federal government.

A third role for the federal government in agriculture flows from the unpleasant probability that worldwide free trade may reduce suppliers to the least common denominator. By that I mean that if agricultural workers in any one nation can be forced to handle toxic agri–chemicals, agricultural workers around the world will suffer.

It is a sad fact that agricultural workers in the United States today suffer from the highest incidence of skin cancer in North America. They have the highest exposure to toxic industrial chemicals used as herbicides and pesticides. Agricultural workers need protection. Treaties must be negotiated to ban toxic agri–chemicals and encourage environmentally safer controls. Therefore, the federal government must do essential testing, precommercial research and regulating regarding chemicals.

Consumers around the world also must be protected regarding honest labels accurately listing all agri–food ingredients. Therefore, the Canadian government and all national governments must strive to achieve international agreements about safety in the agricultural workplace as well as consumer protection standards and enact the needed regulations to support the treaties.

These areas should summarize the federal government's long term role in agriculture: negotiating treaties and settling conflicts arising from the movement toward worldwide free trade; negotiating and legislating necessary protection both in the agricultural workplace and in the production facilities, advertising and labelling for agri–food.

• (1415)

I see a temporary role for federal income support for farmers and growers. It would assist them in adjusting to moving away from the supply managed protectionist kind of trading, and I do mean temporary.

First and foremost, according to the Constitution natural resources fall under provincial jurisdiction. My personal wish would be to greatly downsize the federal role in all natural

resources and therefore reduce the burden on the people caused by excessive regulation and taxation.

Mr. Ian Murray (Lanark—Carleton, Lib.): Mr. Speaker, I am rising today to speak against Motion No. 314.

Let me begin by reminding members of this House that according to the hon. member for Moose Jaw—Lake Centre, and I quote: "Motion No. 314 is based on the premise that it is time to examine not only how government works but also what government does". I agree with him because our budget of February 27 represents perhaps the most fundamental rethinking of how government can work better for Canadians.

The motion presented to the House also proposes that the government pursue negotiations with the provinces and the agri–food industry in order to reassign jurisdictional responsibilities in agriculture and eliminate overlap and duplication. I also agree with that. I agree with him because the Minister of Agriculture and Agri–Food has in fact worked effectively with his provincial colleagues over the past 16 months to reduce overlap and duplication in the inspection and financial services for the agri–food sector. Those are just two examples among many others.

It is ironic that the proposals in Motion No. 314 to reduce overlap and duplication themselves duplicate to a certain extent the work this government has already initiated since it took office. If the hon. member's proposals were to be implemented, federal spending would be increasingly directed to price support and income stabilization.

While the government recognizes that stabilization is very important to Canadian producers, spending on research and market development have been shown to generate significantly higher returns on investment. We have clearly demonstrated in the last few months and with the 1995 budget that this is the road we have taken and intend to follow for the benefit of Canada's agriculture and agri–food sector.

Stabilization measures are important to agriculture, but we are finding that stabilization is most effectively done in a cost sharing partnership with the provinces, not by one level of government alone. It has not resulted in overlap and duplication but instead has led to a co–operative approach which better meets the needs of producers.

Thus, I strongly believe that Motion No. 314 is irrelevant at this time. I must urge the members of this House to reject it. It would only duplicate what this government, the provincial authorities and the industry are already doing together.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I am honoured to rise today to address the motion before us by my colleague, the hon. member for Moose Jaw—Lake Centre. Before I get into the things I plan to say, I would like to take a few seconds to address my hon. colleagues, particularly those in the Bloc party.

I listened with interest to the speech given by the member for Jonquière. He expressed surprise that the Reform Party was promoting a motion such as this. I assure him this should come as no surprise.

I believe the issue we are facing with respect to the federal government in Ottawa is probably very similar for three groups: those in the west where the Reform Party is now the strongest; those in the province of Quebec; and those farther east. Because of their geographical location and special circumstances, they feel somehow left out of the federal government except when the federal government intrudes where we do not want it to intrude.

I say to all members and particularly those from the province of Quebec and the people they represent that the difference is that they have given up on federalism. I am so sad about that. They have decided that Canada is no longer a place where they are welcome and they want out. That is the message I think I hear correctly from them. The difference between them and us is that we want in. We want to be part of the Canadian federation, but we do want it to work better.

• (1420)

During the 1993 election campaign a number of people in my area were sporting bumper stickers on their cars which read: My Canada includes Quebec. We think of the people across this entire country as our fellow citizens, as our brothers and sisters. We invite them to try once again to make Confederation work, to work together with us rather than trying to separate and divide the country.

In this regard, I had a short conversation with a person not long ago who asked: "What is the matter with those people in Quebec?" I told him that the problem was not Quebec, but that the problem was Ottawa. After talking about it for a bit we decided that was probably true.

The federal government, by overly utilizing its spending power has intruded on areas of provincial jurisdiction. Members here are focusing on a problem that we really do need to address and solve.

Getting back to what we are here for, this private member's motion addresses this question. It says that we want to represent Canadian people in the very best way.

Once again, if I can indulge in a short analysis, I look at it in the following way: We have around 28 to 29 million Canadians. Many Canadians, over 250,000, are farmers. We have a relationship between farmers and the rest of Canadians. Strictly speaking, neither the farmers nor other Canadians are terribly interested in which level of government is regulating their lives, controlling their actions and reducing their freedom.

I get the message over and over again that Canadians want a devolution of power nearer to the people. Too many people feel disenfranchised. They feel powerless to have anybody hear them on any issue. That ranges all the way from taxation, which keeps going up, up, up even with this government, to gun control, which is a very important issue in our area, to agriculture, where the federal government intrudes into an area where there is no jurisdictional warrant for it.

This does not need to be said. We all know how important it is that we have a strong agricultural industry. All one needs to do is to read some history to recognize that any country which becomes dependent upon outsiders for its food supply is extremely vulnerable.

We could all live for a minute or so without air. I agree with the environmentalists who say we should keep our air clean. We could live for maybe a week or so without water. I agree with the environmentalists who say we should keep our water clean and safe.

Depending on who the individual is, I am sure some members here would only live for a week or so without food, but some of us with larger bank accounts might last a little longer. We need to have a safe food supply and that is one thing we can have. It is such a privilege to live in this country where we have a plentiful and safe food supply. That comes from our agriculture and agri–food industry.

• (1425)

If there is anything worth preserving in this country it is the strength of that industry because our very lives depend on it. Our freedom and our independence from other countries depend on it.

How can we best arrange our affairs between the supplier, the producer, the farmer and the consumer, those other citizens who are eating the food being produced? We ought to reconsider and probably reject the premise that the federal government has to have a lot of involvement in it.

The nearer one gets the regulation, the nearer one gets the subsidization if there is that, the nearer one gets the controls to the actual producers and consumers and the further one gets it away from Ottawa the better it is for the industry as a whole.

That is not to say the federal government has nothing to do. That is the purpose of the bill. It asks us to carefully examine the areas where the federal government has a role, and there are some.

To my hon. colleagues from Quebec, their separation is not in any way going to alter the necessity of having a relationship with the rest of North America. They have often said they would like to use our currency and have free movement across our borders. They have even mentioned they would like to use our passports. All they are saying is they recognize the need in our world to live together. They will have to live together in one system or another which will require working together which will solve this.

I am simply submitting in the most emphatic way I can that we need to return to provincial governments those areas of jurisdiction which are best served there. We need to retain in the federal area things like international trade, the rules of trade and the barriers toward movement of agricultural goods back and forth. Those are going to apply whether there is a different government there or not. There is an overriding government which will have to apply to these relationships.

My appeal to the members is to support the bill because it would require us to look at those areas which should be devolved to provincial levels and to the private sector.

One of the large weaknesses or hindrances of our present economy is there has been too much movement toward regulation by government away from the business people. This is very important.

To quote the bumper sticker on my farmer brother's half–ton: "When you complain about farmers, don't talk with your mouth full".

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, the private member's bill presented by my colleague from the Reform Party is one we in the farm community feel very strongly about. It is an idea whose time has come.

The federal government over the long haul has been in many areas of duplicity. Some of the areas the provincial government could probably handle better are agriculture, forestry and mining. This bill deals with agriculture but the principles involved would also apply to those other areas.

As my colleague has said, there is also some sentiment in the Bloc for this division of powers and a little less power in our central government. This motion is very worthy of consideration of all of the House. I encourage members opposite to look very closely at this motion and to consider very strongly their support for it.

The Acting Speaker (Mr. Kilger): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

[*Translation*]

It being 2.30 p.m., pursuant to order adopted on Thursday, March 23, 1995, this House stands adjourned until 9 a.m. on Saturday, March 25, 1995.

(The House adjourned at 2.30 p.m.)

HOUSE OF COMMONS

Saturday, March 25, 1995

The House met at 9 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

MAINTENANCE OF RAILWAY OPERATIONS ACT, 1995

BILL C-77—ALLOCATION OF TIME

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Madam Speaker, I wish to inform the House that an agreement has been reached by the majority of the parties in the House with respect to an allocation of time to the report stage and third reading stage of Bill C-77. Therefore, pursuant to Standing Order 78(2), I move:

That, in relation to Bill C-77, an act to provide for the maintenance of railway operations and subsidiary services, not more than three hours shall be allotted to the consideration of the report stage of the said bill and not more than one hour shall be allotted to the consideration of the third reading stage of the said bill and, at the conclusion of the final allotted hour of consideration of each of the said stages of the said bill, any proceeding before the House shall be interrupted and every question necessary for the disposal of the stage then under consideration shall be put forthwith and successively, without further debate or amendment.

[*Translation*]

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Call in the members.

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

(*Division No. 180*)

YEAS

Members

Alcock	Assad
Assadourian	Augustine
Axworthy (Winnipeg South Centre)	Baker
Barnes	Bertrand
Bethel	Bevilacqua
Bodnar	Bonin
Boudria	Brown (Oakville—Milton)
Brushett	Bryden
Bélair	Bélanger
Calder	Campbell
Catterall	Cauchon
Chan	Chrétien (Saint-Maurice)
Clancy	Cohen
Collenette	Collins
Copps	Cowling
Crawford	DeVillers
Discepola	Duhamel
English	Finestone
Flis	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gallaway
Gerrard	Godfrey
Gouk	Graham
Gray (Windsor West)	Grose
Guarnieri	Hanrahan
Hickey	Hoeppner
Hopkins	Ianno
Iftody	Irwin
Jackson	Jordan
Keyes	Kirkby
Knutson	Kraft Sloan
Lastewka	LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee	Lincoln
Loney	MacAulay
MacDonald	MacLaren
MacLellan (Cape/Cap-Breton—The Sydneys)	Malhi
Maloney	Manley
Marchi	Marleau
Martin (LaSalle—Émard)	Massé
McCormick	McGuire
McKinnon	McTeague
Mifflin	Milliken
Minna	Mitchell
Murphy	Murray
Nault	O'Brien
O'Reilly	Pagtakhan
Patry	Peters
Phinney	Pickard (Essex—Kent)
Pillitteri	Proud
Reed	Regan
Richardson	Rideout
Ringma	Robichaud
Robillard	Rock
Rompkey	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Sheridan	Skoke
Speaker	Speller
St. Denis	Steckle
Stewart (Brant)	Stinson
Szabo	Telegdi

Thalheimer
Torsney
Valeri
Verran
Walker
Whelan
Young —131

Tobin
Ur
Vanclief
Volpe
Wells
Wood

NAYS

Members

Bachand
Bergeron
Bouchard
Caron
Crête
Debien
Deshaies
Duceppe
Fillion
Gauthier (Roberval)
Guay
Jacob
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
Ménard
Paré
Rocheleau
Tremblay (Rosemont)—41

Bellehumeur
Bernier (Mégantic—Compton—Stanstead)
Bélisle
Chrétien (Frontenac)
Daviault
de Savoye
Dubé
Dumas
Gagnon (Québec)
Godin
Guimond
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Lefebvre
Leroux (Shefford)
Mercier
Nunez
Pomerleau
St-Laurent

PAIRED MEMBERS

Members

Allmand
Bellemare
Brien
Canuel
Dalphond-Guiral
Easter
Payne
Picard (Drummond)
Sauvageau

Asselin
Bernier (Gaspé)
Cannis
Culbert
Dupuy
Marchand
Peric
Ringuette-Maltais
Tremblay (Rimouski—Témiscouata)

• (0945)

[*English*]

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

* * *

MAINTENANCE OF RAILWAY OPERATIONS ACT, 1995

The House proceeded to the consideration of Bill C-77, an act to provide for the maintenance of railway operations and subsidiary services, as reported (with amendments) from the committee.

SPEAKER'S RULING

The Acting Speaker (Mrs. Maheu): There are 42 motions in amendment standing on the Notice Paper for the report stage of Bill C-77, an act to provide for the maintenance of railway operations and subsidiary services.

Motions Nos. 1, 2, 3, 5, 6, 7, 8, 10, 11, 12, 15, 16, 17, 19, 20, 21, 22, 24, 25, 26, 29, 30, 31, 33, 34, 35, 36, 38, 39 and 40 will be grouped for debate.

A vote on Motion No. 1 applies to all the other motions in the group.

[*Translation*]

Motions Nos. 4, 9, 13, 18, 23, 27, 32, 37 and 41 will be grouped for debate but voted on in the following way:

(a) the vote on Motion No. 4 will apply to Motions Nos. 18 and 32;

(b) the vote on Motion No. 9 will apply to Motions Nos. 23 and 37;

(c) the vote on Motion No. 13 will apply to Motions Nos. 27 and 41.

[*English*]

Motions Nos. 14, 28 and 42 will be grouped for debate. A vote on Motion No. 14 applies to Motions 28 and 42.

[*Translation*]

I will now submit the motions in the first group to the House.

Mr. Boudria: Madam Speaker, I move that all the motions be taken as having been read. That will leave more time for the debate.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

Mrs. Francine Lalonde (Mercier, BQ) moved:

Motion No. 1

That Bill C-77, in Clause 2, be amended by replacing lines 14 and 15, on page 1, with the following:

""Commission" means a Mediation Commission established under this".

Motion No. 2

That Bill C-77, in Clause 8, be amended by replacing lines 35 and 36, on page 3, with the following:

"8. (1) During the mediation period,".

Motion No. 3

That Bill C-77, in Clause 9, be amended by replacing line 22, on page 4, with the following:

"a Mediation Commission shall be".

Motion No. 5

That Bill C-77, in Clause 11, be amended by replacing lines 46 to 48, on page 6, with the following:

"11.(1) Within fifty days after its establishment, each Commission shall".

Motion No. 6

That Bill C-77, in Clause 11, be amended by replacing lines 5 to 14, on page 7, with the following:

"was established, endeavour to mediate all the matters referred to it and to bring about an agreement between the employer and the union on those matters;".

Motion No. 7

That Bill C–77, in Clause 11, be amended by replacing lines 20 and 21, on page 7, with the following:

"(*c*) submit a report to the Minister who shall lay the report before the House of Commons within ten days

(i) unless the parties have reached an agreement within that period; or

(ii) where no agreement is reached, the parties may, by mutual agree–ment, submit their dispute to arbitration or shall recover their rights under Part I of the Canada Labour Code, once the ten days have expired."

Motion No. 8

That Bill C–77, in Clause 11, be amended by deleting lines 22 to 30, on page 7.

Motion No. 10

That Bill C–77, in Clause 13, be amended by replacing lines 40 to 46, on page 7 and lines 1 to 6, on page 8, with the following:

"for the purposes of the mediation referred to in subparagraph 11(1)(*a*)(i), all the powers of a conciliation commissioner under section 84 of the Canada Labour Code."

Motion No. 11

That Bill C–77 be amended by deleting Clause 14.

Motion No. 12

That Bill C–77 be amended by deleting Clause 15.

Motion No. 15

That Bill C–77, in Clause 25, be amended by replacing lines 9 and 10, on page 11, with the following:

""Commission" means a Mediation Commission established under this".

Motion No. 16

That Bill C–77, in Clause 30, be amended by replacing lines 1 and 2, on page 13, with the following:

"30. During the mediation period,".

Motion No. 17

That Bill C–77, in Clause 31, be amended by replacing line 14, on page 13, with the following:

"a Mediation Commission shall be".

Motion No. 19

That Bill C–77, in Clause 33, be amended by replacing lines 38 to 40, on page 15, with the following:

"33.(1) Within fifty days after its establishment, each Commission shall".

Motion No. 20

That Bill C–77, in Clause 33, be amended by replacing lines 45 to 47, on page 15, and lines 1 to 7, page 16, with the following:

"was established, endeavour to mediate all the matters referred to it and to bring about an agreement between the employer and the union on those matters;".

Motion No. 21

That Bill C–77, in Clause 33, be amended by replacing lines 13 and 14, on page 16, with the following:

"(c) submit a report to the Minister who shall lay the report before the House of Commons within ten days

(i) unless the parties have reached an agreement within that period; or

(ii) where no agreement is reached, the parties may, by mutual agreement, submit their dispute to arbitration or shall recover their rights under Part I of the Canada Labour Code, once the ten days have expired."

Motion No. 22

That Bill C–77, in Clause 33, be amended by deleting lines 15 to 23, on page 16.

Motion No. 24

That Bill C–77, in Clause 35, be amended by replacing lines 33 to 41, on page 16, with the following:

"for the purposes of the mediation referred to in subparagraph 33(1)(*a*)(i), all the powers of a conciliation commissioner under section 84 of the *Canada Labour Code*."

Motion No. 25

That Bill C–77 be amended by deleting Clause 36.

Motion No. 26

That Bill C–77 be amended by deleting Clause 37.

Motion No. 29

That Bill C–77, in Clause 47, be amended by replacing lines 3 and 4, on page 20, with the following:

""Commission" means a Mediation Commission established under this".

Motion No. 30

That Bill C–77, in Clause 52, be amended by replacing lines 30 and 31, on page 21, with the following:

"52. During the mediation period,".

Motion No. 31

That Bill C–77, in Clause 53, be amended by replacing line 2, on page 22, with the following:

"a Mediation Commission shall be".

Motion No. 33

That Bill C–77, in Clause 55, be amended by replacing lines 24 to 26, on page 24, with the following:

"55.(1) Within fifty days after its establishment, each Commission shall".

Motion No. 34

That Bill C–77, in Clause 55, be amended by replacing lines 31 to 40, on page 24, with the following:

"was established, endeavour to mediate all the matters referred to it and to bring about an agreement between the employer and the union on those matters;".

Motion No. 35

That Bill C–77, in Clause 55, be amended by replacing lines 46 and 47, on page 24, with the following:

"(c) submit a report to the Minister who shall lay the report before the House of Commons within ten days

(i) unless the parties have reached an agreement within that period; or

(ii) where no agreement is reached, the parties may, by mutual agree–ment, submit their dispute to arbitration or shall recover their rights under Part I of the Canada Labour Code once the ten days have expired."

Motion No. 36

That Bill C–77, in Clause 55, be amended by deleting lines 1 to 9, on page 25.

Motion No. 38

That Bill C–77, in Clause 57, be amended by replacing lines 19 to 27, on page 25, with the following:

"for the purposes of the mediation referred to in subparagraph 55(1)(*a*)(i), all the powers of a conciliation commissioner under section 84 of the Canada Labour Code."

Motion No. 39

That Bill C–77 be amended by deleting Clause 58.

Motion No. 40

That Bill C–77 be amended by deleting Clause 59.

• (0950)

She said: Madam Speaker, it is because the official opposition takes its role seriously that, right on Monday, proposals were made to the government, proposals that would have served a dual purpose: to bring about a speedy resumption of work and also a meaningful settlement, a negotiated settlement to this serious situation that impacts on the Canadian economy.

I should point out that, instead of accepting our offer, the government decided—I call it as I see it—to capitalize on the circumstances, the difficulties created by this strike, as any strike. Strikes are never fun, neither for the strikers—who feel this is something they are forced to do—nor for those who suffer the consequences.

The government took advantage of this situation to sort out its problem, and that is to have working conditions imposed on rail workers.

It is important to remind the House that a two–stage mediation–arbitration process was recommended to the government in the Hope report, and this recommendation was made for the very simple reason that the companies have already tried to obtain concessions in the past.

What is unusual is this statement: their demands are so controversial and provocative because of the partisan role taken by the government—the word is mine—who supports the position of the railway companies and because of the tenacity with which the companies have stuck to these demands.

The Acting Speaker (Mrs. Maheu): Order. I would ask hon. members who want to have private conversations to please step out.

Mrs. Lalonde: Thank you, Madam Speaker.

This is a momentous event in the history of the Parliament of Canada. Without taking too much of my speaking time, I would just like to say that we realize this is emergency legislative action and it is being taken for the second time in a short time.

All week long, we have been guided both by the proposals tabled this morning and the need to bring about a meaningful settlement. The government sabotaged the Hope report's recommendations. Commissioner Hope recommended steps be taken to bring both sides together to allow them to negotiated settlements, these being the only way out of this difficult situation in which the companies claim to be.

Let me read you a paragraph of the Hope report which gives hope—no pun intended—and we want to give this hope a chance.

• (0955)

We can read this on page 72: "During the commission's proceedings, it was rather obvious that it would be possible to negotiate settlements if freight carriers were prepared to accept the fact that they will probably not win on all fronts, and that they will have to pay for the changes which they want, regardless of the settlement process. Similarly, if the unions recognized the fact that both companies are confronted with a financial reality which requires that some arrangements be made in the interest of all the parties, they might be more willing to negotiate an acceptable compromise".

We can see the possibility for a settlement. This is what Commissioner Hope looked for. He provided the government with tools to reach a negotiated settlement. But instead, the government chose to impose one, without giving the parties time to meet face to face and express their respective views on the problems and the future of the railway industry.

We wanted to give the parties a real chance, and this is why the series of amendments brought forward this morning propose mediation commissions which would report to the minister who, in turn, would have ten days to table a report to Parliament which would become a public document. If agreements were reached within that ten–day period, the report would not go public. Otherwise, at the end of this process, the parties would either mutually agree to go to arbitration or, if they have not reached a settlement—but we think they would—the Labour Code provisions dealing with their rights would apply once again.

Another way of doing things must be found when you do not rely on a power struggle. In Quebec, we spent a lot of time looking at these issues and workers now have the right to strike, even in the health sector, provided essential services are maintained.

In Canada, the Labour Code provides the right to strike, but that right is completely taken away by the government, when it should come into play.

As I said repeatedly:

[*English*]

If the Canadian economy and politics cannot afford the Canada Labour Code, there is a big problem because it means that the problems will never be settled.

[*Translation*]

And when problems are not really solved, they resurface and then they are much worse. This is what Commissioner Hope explains in his report.

We want to make it clear to those who are listening, and who may have suffered some inconvenience, that these workers are exercising a right which is provided in the Labour Code. They want a negotiated settlement, not an imposed one; they stated that they are prepared to accept a compromise.

Commissioner Hope clearly showed that the companies' hard–nosed attitude was due to the fact that they have the government's support. Today, this House has an opportunity to concretely show that the country is headed for new labour relations, and not only where unions exist. The government must be a role model. It must define the kind of labour relations which will prevail in this country. However, the government is not fulfilling its role when it is not paving the way to a future which includes not only companies, but also every individual.

• (1000)

It is because we highly respect our role as the official opposition that we want to stress here in this House how essential it is for Canadians and Quebecers to realize, through this conflict, that a new direction is necessary, so that new economic conditions can indeed be taken into consideration but, more importantly, that we do not sacrifice, as is now so often the case, the right of every individual to be treated with respect.

I invite the government to support the spirit of our amendments. Rather than taking us back to the days when labour conditions were dictated only by the prevailing economic forces, these proposals seek to lead us to a climate of respect between the employers and the workers.

Hon. Lucienne Robillard (Minister of Labour, Lib.): Madam Speaker, the purpose of the amendments presented this morning by members of the Bloc Quebecois and, more specifically, by the hon. member for Mercier, is to remove the entire concept of arbitration from the bill and to limit the bill to a mediation process.

The approach taken by the Bloc Quebecois may be a sign that they did not follow the progress of negotiations after the collective agreement expired. As you know, the parties tend to start negotiating before a collective agreement expires. The agreement expired on December 31, 1993, so that the parties started negotiating several months before that date. Subsequently, we appointed a conciliator to help the two parties negotiate.

When this did not produce tangible results, we appointed a conciliation commissioner who again for several months, tried to get the parties to negotiate and conclude an agreement. It has always been and always will be the position of this government to help the parties negotiate and reach an agreement. Actually, most collective agreements in federally regulated sectors are concluded without intervention by the government as such and without the need for legislation.

The proposal made by the Bloc Quebecois this morning would mean that negotiations would be continued for 60 days. First 50 days, then a report to the House, and if the mediation process fails, employees and companies will again be in a position to strike or impose a lockout. That means that exactly 60 days from now, we could be facing the same situation. Today is March 25, and we might be back in this House on May 25, with a nation–wide work stoppage in the railway sector.

I do not think the proposal is realistic. There would have to be evidence that there is a good chance of succeeding through mediation alone, and that is not the case. Both parties have reached an impasse at this point. Neither party has asked for mediation.

• (1005)

The parties want to go back to work, that is quite clear. They want the system to work, but both parties have reached an impasse.

I heard a representative for the unions who appeared before the Senate this week, and it was interesting to hear his response when the senators asked if the people who act as mediators do arbitration as well, and whether we should not separate mediation and arbitration. Do you know what he told the senators? He said: "You know, when we have a mediator, and we know that if we do not agree, it will be up to the same person to make the decision for us, well, when the mediator looks us in the eye and begs us to reach an agreement, we know perfectly well what that means, and it makes us negotiate a little harder so he will not have to make the decision himself". This was said in the Senate by a representative from one of the biggest unions in the railway sector.

It is quite clear that each situation must be assessed on its merits. I appointed a mediator in the Port of Montreal, but the situation was entirely different. First of all, the Port of Montreal has a long tradition of successful collective bargaining. It has been more than 20 years since we had a general strike in the Port of Montreal. Second, the parties were amenable and really wanted to reach an agreement. These are prerequisites for mediation. Third, it should be clear that the economic repercussions of the strike in the Port of Montreal, compared with the

economic repercussions of the strike throughout Canada's railway system from coast to coast are not the same.

Not long ago, the House passed back–to–work legislation which imposed a mediation–arbitration process on the ports on the west coast of Canada. Oddly enough, Bloc members did not react the way they are doing now. Does this mean that the members of the Bloc are not the official opposition and are not concerned about what happens on the west coast of this country? Why is it that today, they are criticizing the principle of mediation–arbitration, while last time, although mediation–arbitration was involved as well, there was no discussion of the principles at stake as there is today. What is going on? Do we really have an official opposition that is concerned about Canada's economy from coast to coast? I wonder. I am really amazed at this change in the position of the Bloc Quebecois.

Since last Sunday we have tried to obtain the consent of the Bloc Quebecois for the passage of the bill before the House. If these amendments are the only thing they can come up with after five days, A am sorry to say that we cannot accept them, because we need results, and above all, we do not want to be faced with exactly the same situation in two months' time.

• (1010)

[*English*]

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Madam Speaker, we just heard the Minister of Labour questioning whether the Bloc was the official opposition. It is the official opposition and the Reform Party is the national opposition.

The Bloc mentioned the noble conception of its role. I disagree with that. I do not find anything about what it is doing with regard to the legislation noble. I find the actions of the Bloc Quebecois selfish and the most unconscionable I have seen in Parliament. It has held up this legislation. It refused to waive the 48 hour notice necessary to get this in and debated quickly. It has used every procedural tactic at its disposal to further delay the passage of this bill.

We have to question what it is trying to accomplish. We know the legislation is going to pass. The Bloc knows the legislation is going to pass. It knows the CP, CN and VIA workers are going to be legislated back to work. The Bloc is costing them extra pay, costing the company extra revenue and costing companies all across Canada a great deal of income.

Why is it doing this? Why is it selfish? The reason is the port of Montreal. That is the sole reason we are all here today on the weekend debating these delaying tactics offered up by the Bloc.

When the port of Montreal went down it happened that the Standing Committee on Transport was in Halifax. Halifax was booming. Everyone was walking around with a great smile on their face because they had a tremendous amount of business coming their way. It was pointed out to the member of the Bloc who sat on that committee: "You had better go back and tell those people in the port they are really making a big mistake because some of the traffic diverting to Halifax is not going to go back when the strike is over. That is the way things operate".

The Bloc took that to heart because we did not see too much of it for a while after that. There were lots of telephone calls back and forth. Then this great saving situation happened, the rail strike. All of a sudden Halifax cannot get a lot of the goods to load on the ships being diverted there. This played right into its hands.

I wonder why there is so much emphasis on the port of Montreal. This is not an action on behalf of Quebec, which the Bloc is really supposed to represent because it is certainly not representing the rest of Canada. This is costing manufacturers, importers, people all across the country huge sums of money. The total loss is expected to run in the range of $3 billion to $5 billion and that does not end when the strike is over.

This is not costing B.C. companies or Saskatchewan companies. It is companies all across Canada, including companies in Quebec. Bloc members are hurting the economy of their own province. They are hurting it at a time when they know full well the legislation is going to be passed in any case. This is nothing more than a simple tactic.

As was mentioned by the Minister of Labour during her speech this morning, there was not a peep out of Bloc members when the same legislation was brought in on dock workers in Vancouver. Why? Because they did not care. It was the very same principle but it did not matter to them then. It was not the port of Montreal.

The Bloc is trying to take every tactic to ensure that the rail stays out until after the port of Montreal goes back to work. That is all they are interested in.

The Liberals are not totally innocent in this either. We brought this up long before the strike ever came in. We brought it up last year when legislation was brought in for the dock workers in Vancouver. Our economy is far too fragile and far too interwoven to allow something this massive to go on. We have to find alternatives and no action has been taken by the government to do so.

• (1015)

During the first week of the strike I attempted to contact the Minister of Labour numerous times. I was promised a return call. My intention was to find ways to work with the government to bring the matter back so that we could get it settled. We were

quite prepared to co–operate. I know the minister was extremely busy at that time, as well being relatively new in the portfolio. I understood that.

Appointments were made for the return of my phone call and they were never kept. The Liberals had the opportunity to use broader legislation at the time they legislated back the Vancouver dock workers. It only took them two days to do that. Why has it taken them so long in the case of the rail strike? The reason probably is that they had to wait to make sure that CN was fully involved in the strike so that they could bring CN into the scope of the legislation as well.

The government's real target is CN. It wants to bring in legislation that includes binding arbitration for CN. That is the only part of all the tactics of the Bloc I have some agreement with.

One problem in the legislation is the arbitration clause. It says with regard to CN that there will be one member from the union; one member from the company, which is the government; and one member appointed by the government. We have a vague idea about how the arbitration will come out.

The only alternative in this case is the Liberal solution used in the case of the dock workers' strike last year. Why did they use it last year and not now? I am talking of final offer selection arbitration which gives the company and the union the chance to get much closer together. It puts a lot more pressure on them to be as close as possible and to take the most reasonable position possible. It will allow them to settle outstanding issues and try to reach a total agreement. In the end it will be one side or the other. Whoever is the more unreasonable of the two will be the loser.

That is a fairer operation than the type of arbitration that has been brought forward. We have to go with the legislation because we have to get the country back to work. That is the bottom line. That is the most important part of the whole legislation.

I ask the Bloc to start acting like a national opposition party, be responsible, put the country back to work and put the economy back on its feet.

Hon. Roy MacLaren (Minister for International Trade, Lib.): Madam Speaker, the debate today is against a background of Canada's burgeoning export records, the extraordinary successes that Canada has achieved in its export trade which are being jeopardized by the present strike of the railway.

The amendments before the House this morning would attempt to resolve that strike through mediation. Mediation, however, would require yet another 60 days of deliberation and would not bring any early conclusion to the severe disruptions in our export trade resulting from the prolonged strike.

If we have arbitration we can have an early resolution of the problem that faces us. It is for that reason that we on this side of the House oppose the amendments and intend to support the rapid implementation of the bill now before the House.

The rail strike today is causing all sorts of disruptions in our export trade which, as I said a moment ago, has reached record levels in 1994 and again in the first month of 1995.

• (1020)

Canada recorded an annual trade surplus with the world of over $17 billion in 1994, up almost $8 billion over the previous year. Our trade surplus with the United States was $28.4 billion or $8.7 billion higher than in 1993. In addition to those formidable achievements, Canada has recorded a record merchandise trade surplus with Japan of over $1.3 billion.

In the case of Japan and Europe, as well as in the case of the United States, the success of our trade achievement depends on the ability of our railways to deliver our products directly or to ports for shipment.

As a result of the strike we found that severe disruptions were already occurring. In the automotive sector, the Ford Motor Company has had to curtail its production, reduce its assembly line operations. In the pulp and paper industry in the province of Quebec, the large company Repap Enterprises will shortly have to close its operations altogether since it cannot have access to its natural resources nor have the opportunity to ship its products to markets where there is demand for Canadian exports.

I draw the attention of the House to the fact that in the January Canada recorded a trade surplus of some $2.4 billion in that one month, up by $285 million from December 1994. In January 1995 Canadian exports stood at a record level of $22.5 billion, up by $1.3 billion over December 1994.

In those circumstances we have a situation where Canadian exports to the United States and American exports to Canada total $1 billion a day, every day, day in and day out all year round. It is imperative that rail services be available to ensure that our goods reach the markets that have expressed such demand for Canadian products.

We have already seen a situation arise where as a result of the rail strike rail cars have been retained in Canada when they should be moving goods and services across the border to the United States. As I noted a moment ago, the products for overseas are being detained because of an inability to reach our ports. All this is against a background of increasing liberalized trade, of freer market access that provides Canadians with the opportunity to ship their products across the globe.

Through the evolution of the North American Free Trade Agreement and our commitment to free trade in the western hemisphere we have seen new opportunities for Canadian products in our own hemisphere.

The growth of the markets in Asia is know to all of us. We have seen the so–called Asian tigers come forward as promising new markets for Canadian goods and services. We have a highly profitable market available to us in Japan, markets that will only be enhanced by the commitment that all member countries of the Asia Pacific Economic Co–Operation have made to trade liberalization, indeed free trade, within 25 years throughout Asia and the Pacific.

In the case of Europe the growth of the European Union, its deepening and its expansion to additional countries have led to greater opportunities for Canadian exports.

• (1025)

In a world of increasingly liberalized trade, especially with the new World Trade Organization that came into being on January 1, there are ample opportunities, promising new opportunities, for Canadians. We have achieved such remarkable success in ensuring the sale of Canadian goods and services abroad that we cannot allow the situation in our basic rail system to continue.

There must be a resolution to this obstacle to our further growth in international trade, to the achievement of yet greater levels in 1995, and to the achievement of a permanent and more satisfactory method of resolving disputes and differences within our rail system.

An hon. member: Team Canada.

Mr. MacLaren: It is evident to everyone, as one of my colleagues reminds me, that Team Canada must have as an underpinning the assurance of an efficient and reliable transport system. Team Canada is the combined efforts of the provinces and of the federal government to ensure that there is a concerted effort, that all the energies of Canadians provincial and federal are directed toward the achievement of our export goals. Nowhere is this more evident than in our combined efforts to ensure that small and medium size businesses are fully involved in the export successes that have marked the Canadian economy over past years.

Our efforts to promote small and medium size enterprises in the export world, including our vigorous efforts to ensure that small businesses in Quebec also enjoy those opportunities, can only be hindered by the absence of a reliable and efficient rail system. It is for that reason we oppose the amendments that have been brought forward this morning and look for an early resolution of the rail strike that is causing such disruption to our export trade.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Madam Speaker, I think it is highly significant that the second speaker for the government, the Minister for International Trade, spoke for ten minutes without mentioning labour relations for one single second. He said nothing at all about the situation of the workers affected by this bill. I think this is a clear indication of the government's true objectives.

The bill before us and the series of amendments are the clearest indication of the government's real objectives. The aim of the bill is not a return to work. If it were, the dispute would have been resolved four days ago. We offered the possibility Monday, we offered it Wednesday. Everyone agrees on a return to work. The disagreement lies in the fact that special legislation imposes a new type of relations on the parties concerned in the rail sector.

Let us have a look at the amendments. First, commissions were set up with the power to arbitrate and a biased mandate. The proof is in clause 12. I think it is important for all Canadians and Quebecers to understand this. The government's bill provides that:

> 12. Each Commission shall be guided by the need for terms and conditions of employment that are consistent with—economic viability and competitiveness—taking into account the importance of good labour–management relations.

This is the first time I have seen a government put improvement of the economy ahead of agreement between the parties, in a bill. With this clause, the government decided to do a job on the entire rail sector. As the negotiators failed to reach an agreement, the government wants to ensure the transformation of the rail sector with clause 12 and force the commissions to do the job.

• (1030)

When the members of the commission see an interesting proposal from the union, their hands will be bound by this clause, which says to them: what the union is proposing will not lead to the economic viability and competitiveness of the rail system, which is the first requirement of the legislation, therefore you will not be able to accept the proposal. We are proposing a much more reasonable clause in keeping with the longstanding spirit of labour relations in Quebec and Canada. The aim of this proposal is not only to protect the workers, but also to make the future interesting in this sector and prevent people from getting into labour relations problems in the coming years.

I think this proposal comes from our added experience in Quebec of working together, of taking an approach to labour relations that permits each side to come out a winner. This is the essence of labour relations. It is nothing like arbitration, which creates a winner and a loser, because in the years following arbitration, the loser prepares to win the next time, with grievances and all sorts of unacceptable situations arising as the

result. It seems to me that the government should understand this.

Some hon. members: Hear, hear.

Mr. Crête: We are proposing in this regard that the commission be guided first by the need to establish good union–management relations and, to this end, that it promote working conditions reflecting both the rights of the workers and the economic viability and competitiveness of the coast–to–coast rail system. And the way it is written means that we think that human resources is what is most important. It is what we hear in speeches around the world right now about globalization. What will make us competitive is the way we treat our human resources, not putting workers in no–win situations. Both workers and management must come out winners. Was management in favour of getting everybody back to work at the beginning of the week? Do you think they would agree with that? Go ask the management of the companies.

I think that this vision of government is dangerous and that it is important for all of the citizens of Quebec and Canada to go beyond this way of looking at things and to see the government's relationship with society evolve. The government is going to systematically decide who is right in society. The government is going to decide who is right and wrong, and the next in line for the snow job that railway workers are getting now will be the unemployed. The next victims after that will be another social category, and it will always be done under the pretext that we absolutely need to do such and such a thing for affordability, to emulate the American way, and that is why the official opposition is against this way of thinking. I think that we have nothing to learn from a party that has five members present in the House when we are dealing with special legislation.

Some hon. members: Hear, hear.

The Acting Speaker (Mrs. Maheu): I would ask the hon. member not to remark on the presence or absence of other hon. members.

Mr. Crête: Thank you, Madam Speaker. At any rate, Canadians can see what happens during votes and see who is there to vote and who is not.

Therefore, I think that this series of amendments contains an interesting proposal, and it is important for Canadians to understand that we are not opposing this bill to prevent people from returning to work, we are doing it to ensure that, in the future, two, three, five, ten years down the road, that there are good labour relations in this sector, that people have choices, that part of the network will be sold. That will have to be negotiated anyway with the unions, and because we have put them in a situation where they cannot trust their employers, they will continue to distrust them and we will have problems. When Parliament has to bring in three special labour relations acts in one year, that is a sure sign that there is a volatile situation in Canada, and that it is one that would be better dealt with by some means other than a government gag order.

I think it is important for Canadians to hear how the government is going against the recommendations of the Hope report.

• (1035)

According to the Hope report, there are a number of major points on which the parties could agree and we could then proceed to the more technical points and, if need be, resort to arbitration for some of these technical points. The government held its nose and decided to ignore that part.

What saddens me a little is that I feel they are taking advantage of the fact that a new minister has been appointed. She must be briefed on the issues while fulfilling an economic mandate, although the labour relations mandate is not necessarily to settle economic problems but to ensure a good labour relations climate. This is a basic element on which we should agree.

I sincerely believe that the amendment proposing that the commission be guided by the need to establish good labour relations as a top priority is the first step in a successful approach that would allow the whole railway industry to see its future in a different light.

Let us assume that, in two years, CN wants to sell, for example, part of its line to people in eastern Quebec, the Eastern Townships or the Maritimes. With a binding decision like that one, the unions will never feel formally bound by the outcome of the negotiations, which will show at every phase of the talks with the new employers. The employer faced with these new situations will keep in mind that he could win through a decision such as this special act of Parliament.

The employers in these situations may not want union accreditations to be adjusted to the new employers. Are there ways for these employers to ensure preferential treatment from the government? Ensuring economic viability by taking away workers' rights? This is the wrong way to see the debate, as I see it.

In conclusion, you can be sure that, in labour relations, if we do not see to it that there are two winners, the unions and the employers, one of the parties will always have its moment of truth in catching up later.

Shortsighted decisions such as this bill can only be corrected by achieving a balance between the parties. Parliament's responsibility is not to impose a different way to look at railway development through special labour legislation. If we want to change the railway industry, we should do so openly through bills to that effect, but not on the backs of Canadian workers because, at the end of the day, it is not only railway workers who

will pay, but all those whose livelihoods depend on this industry and all train users across Canada.

I hope that the government will finally decide to listen to our arguments.

Hon. John Manley (Minister of Industry, Lib.): Madam Speaker, first of all, I welcome this opportunity to mention that our new Minister of Labour has done an outstanding job regarding this strike.

[*English*]

It is not often that a new minister finds herself or himself with such a heavy agenda so soon after being made a member of the government. The fact that our Minister of Labour has acted so quickly and effectively in dealing with this strike is a great tribute to her.

[*Translation*]

I have a problem with the Bloquistes opposing this bill. I find it quite strange that, last week, when we legislated the resumption of work on the west coast, they did not seem to be very interested.

I also noticed that the hon. member for Longueuil dissociated himself from his party. He said his phone had been ringing off the hook with nothing but calls of support and that he even received calls from staunch sovereignists and mayors who wanted to congratulate him. Clearly, this is clearly how the people of Quebec feel because the economic impact the strike is having on Canada and Quebec is extremely serious.

• (1040)

I wonder why the members of this political party, who claim that definitely the only thing they were prepared to agree to as a party was sovereignty for Quebec, all of them but one agree with this strike action. Clearly, they are now sending to the people of Quebec the signal that a sovereign Quebec would be run by the unions. They do not care what the ordinary people of Quebec think.

[*English*]

The effects in Quebec and the effects across Canada of this strike have to be dealt with. There is an old African saying that when the elephants fight the grass gets hurt.

It is just fine for these people to come in and talk about the sanctity of labour relations. We think that is important too. In fact nothing would have been more desirable for the government than to see the parties to this dispute find their own resolution of it. That is why we waited; it was in order to see that the best possible efforts could be made.

In the face of a national rail strike, the Bloquistes know that governments in the past have always been obliged to act. The effect on the economy is such that we simply must act in the interests of all Canadians whose jobs and livelihoods depend directly and indirectly on the rails. Listen to the impact.

One of the main industries being affected is the aluminium industry.

[*Translation*]

The aluminum industry is the most important industry for the economy of Quebec, particularly for its rural areas, and it depends on rail transport.

[*English*]

Thirty thousand people are employed in that sector. It produces $8 billion annually in shipments. Two–thirds of all outbound shipments of aluminium are shipped by rail. Over three–quarters of the industry's inbound shipments, such as the chemicals that are used in the industry, are transported by rail, 90 per cent of the shipment by rail and $4.5 billion annually comprising exports to the United States. Alcan and Reynolds are now operating at only 70 per cent of capacity. Their plants are in the province of Quebec.

In the automotive sector, earlier this week Ford had to lay off 3,500 workers at Oakville; 2,500 at St. Thomas; and 400 at Windsor due to the strike. Most of them are back now but operating at half capacity. All the auto manufacturers are experiencing difficulty moving finished vehicles. Trucks are used to bring in most inbound shipments, 85 per cent, although rail is used for some essential bulk inputs such as body metal and plastics. This industry itself accounts for over $50 billion annually in output and employs about 150,000 people.

The chemicals industry, especially commodity chemicals, is a major user of the rail system. Seventy per cent of outbound shipments, about $15 billion annually, is sent by rail from Alberta to Ontario and British Columbia, from plants in Ontario and Quebec to the United States, to maritime ports for shipment overseas. Chemical shipments amount to about $20 billion annually. The industry employs 80,000 Canadians.

The fertilizer industry, potash and chemical fertilizers, is a major rail user. Two–thirds of the fertilizer shipments, about $1.25 billion annually, travel by rail. The industry is located mainly in Alberta and Saskatchewan with 6,000 people employed and shipments worth $2 billion annually.

[*Translation*]

The pulp and paper industry, another very important industry for Quebec, also depends on rail transport.

[*English*]

Along with aluminium it is probably the most vulnerable to disruption of rail service. It employs 100,000 Canadians in all parts of the country. Shipments are worth over $20 billion a year.

• (1045)

The effect of a prolonged rail strike on this industry is crucial. There is one very simple thing we have to understand. I have other statistics. I could keep reading them but it is important to

conclude on this thought. We have built a very prosperous country. Our prosperity has come to a very great extent from the ability we have to extract natural resources, whether from the forests, whether agricultural, whether from the mines or in the past from the sea, and selling them to the world as price makers.

That is no longer so easy for us. Competition on resource prices is extreme. The difficulty we have in getting our goods to market contributes directly to our competitiveness not just in the manufacturing sector but in the natural resource sector.

In the past it was easy for us to collect the rents from our natural resources. The world was willing to pay the prices we wanted and pay for the transportation costs built in. We built a railway in times when transportation costs were not a big factor in the price we could charge for the goods we sold. That world has changed. We are in a world of extreme competitiveness.

The Bloc should understand how important it is to our overall economy that we be competitive not just in the manufacturing sector but also in the transportation sector, and in a real way.

That is the issue we are going to have to deal with over the weeks and months to come in the resolution of this labour disruption. The competitiveness of our transportation system is a crucial element in the competitiveness of both our natural resource and our manufacturing sectors in the world at large.

In container traffic to eastern Canada bound from the Pacific we are only attracting 40 per cent of that traffic on the Canadian rail system. Sixty per cent is using the U.S. rail system. That is a competitiveness factor. We have to understand that other countries get their natural resources to ocean bound vessels with less distance involved than we face. The competitiveness of our transportation sector is crucial.

Time has come for Canadians to deal with the issue of competitiveness in our transportation industry. It has been dealt with in our manufacturing sector. People in Quebec, in Ontario and elsewhere have faced the necessity of difficult downsizing, of coming to terms with needing to rationalize manufacturing facilities, plants, acquiring new equipment, all for the purpose of being able to ensure the continuing prosperity of their firms, their regions, their provinces and this country. Now is the time for the transportation sector as well to deal in a real and continuing and lasting way with this serious issue.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Madam Speaker, it is an honour and a privilege to speak to the bill today.

I have heard a few comments about the ability of members to count. I know they can go to five. I am wondering if they have ever read the story in the Old Testament about David and Goliath and what happened to the giant. I am very proud today to stand here and see the confidence our leader has that the five members here will handle the giants on both sides or all around us.

I have heard a lot of insults thrown around this morning. It is a little discouraging to hear some of them. This problem has been around for 25 years. It was not created in the last situation between labour and management.

Fifteen times governments have legislated people back to work and said they have solved the problem. We have never solved any problems and the simple reason is governments have been buying people to get elected.

I am pro labour. I am pro management. If I can get small business or large business, I will get a vote. I will go to the House and run the country. This is why were are here again today trying to resolve an issue.

• (1050)

I will tell the House a story about labour management relations and I hope members will listen. During the break I was asked to visit a plant in my riding which is a branch of a multinational corporation. I knew most of its products were shipped into the U.S. I felt that this was probably another situation where I would get the news that it was either going to downsize or close.

The news was it was going to expand by over $17 million. I said what is going on here, everybody is shutting down and this one is expanding. The plant manager said: "I started in this plant as a floor sweeper. I left home at 16 and had to fend for myself. I came back to get into the community. Now I am plant manager". I asked: "What did it to you? How did you show that kind of confidence to your superiors to get this job?"

He said: "When I took over this plant were were operating in the red and it looked as if it were going to be shut down. I went over the books and said I am unionized, I am going to lose my job here if things do not turn around. I called in the people and told them we were going to have a different type of management. I am going to be supervisor and you are going to run this plant. I am setting up four committees, one is going to do the hiring and firing; one is going to look after efficiency; one is going to work on problems, labour relations".

He said: "After a year you would not believe the increase in productivity in this plant. I have not hired a man. I have not fired a man. It is all done by the union. But I make sure when there is profit that my people get a fair wage increase. I know we are competing with the Americans and the head offices have given me the go ahead to increase production because this plant can survive".

That is labour management. That is how the country should be run, instead of the way it is right now. We had an opportunity a week ago to do something that would have set us in that direction. The House defeated Bill C–262, the motion of my hon. colleague. I do not think I will ever have an experience again such as I had this week when I sat with the forum of young

Canadians at its dinner. Since we were busy working on this legislation and I was on House duty, I could not be there for first part of the dinner. I came back to the House for about 45 minutes and had to leave again. Our whip had not been able to stay there either.

We discussed this situation with the students. One asked me whether I get a little discouraged when I see all the problems and work from maybe 8.00 a.m. until 10.00 or 11.00 p.m. and accomplish very little.

I said not really. At times I feel like going home but I think the 35th Parliament will go down in history as the turning point in our country, that finally it will make some decisions that will benefit the country, not destroy it.

An hon. member: The red book.

Mr. Hoeppner: The red book. The right start but we need the green book to cover the red book.

I pointed out to these young people what our problems were when we discussed job description and what was taking place on the Hill. I said I was actually proud to be part of the 35th Parliament. One young student said her generation will also set a precedent and be recorded in history. She said for the first time in history her generation is going to be asked to take a reduced standard of living, a lower standard of living.

She is probably right with all the cuts coming, with all the social program cuts. I asked her how she felt about it. She said it hurts but they know it is reality and are willing to make that sacrifice if it will do something for their country.

• (1055)

I felt like saying send all the MPs home and let the kids run the country. They will make the decisions that have to be made. They are not interested in a multimillion dollar pension plan. They are interested in saving the country, bringing it back to what it was years ago.

We sit here throwing insults back and forth and we think we are doing our job. We are playing politics and politics is what has brought the country to where it is. I hope we realize that today, whether it is the Bloc, the Liberals or the Reform. The next generation is not going to be putting up with the politics we have seen in the 35th Parliament. The bright spot in our future is that we have kids willing to make sacrifices.

When I think of the first and second world wars, I see how many young people laid down their lives to protect this country and make it great. They left everything. They had no chance. What have we done in the last 25 years? We have put the country into debt by $550 billion. We have an unemployment rate of around 10 per cent.

What has politics done for the country? We have left our kids a legacy they will have to deal with. I hope and pray they have the guts to do it because my grandchildren and future great–grandchildren will not have the opportunities I have had.

I hope it is serious enough in the House today that instead of throwing insults at each other, we buckle down, go to work and finally form some type of legislation that will put the country back on the road to recovery and make it the great country it can be.

[*Translation*]

Mr. Nick Discepola (Vaudreuil, Lib.): Madam Speaker, I would like to be able to say that I am proud to take part in this debate, but, unfortunately, such is not the case.

It is always preferable in this sort of dispute for the employer and the union to attempt to resolve their differences on their own. But, as we speak, after months and months of talks, the dispute drags on. Despite this government's efforts to resolve the conflict as quickly as possible, there is still one political party that prefers grandstanding to finding a solution to the crisis facing Canadians across this country.

Millions of workers are affected daily by this dispute. In the Montreal and Toronto areas alone, 70,000 workers who must get to their place of work every day are affected by this strike.

It affects not just large companies, but also small and medium size businesses, who depend on the railways for their survival.

As we speak, Canadian Pacific is paralyzed and Canadian National and VIA are for all practical purposes completely shut down. There are also automobile manufacturing plants in the Windsor area that have had to lay off 3,000 employees temporarily. The manufacturing sector is losing close to $500 million daily. In other words, if the strike drags on, the loss to our economy, according to their estimates, will be somewhere between $3 and $5 billion dollars.

The Reform Party suggested that the Bloc Quebecois was not worried about the dispute at the Port of Vancouver because it did not concern them. I would like to point out to them the economic effect of this dispute on Trois–Rivières, in Quebec.

• (1100)

In Trois–Rivières, the Kruger paper company is losing a million dollars a day. Five hundred employees are affected. Also affected are Stone Consolidated in Port–Alfred, Pétromont in the Verchères region, the Shell refineries in the east end of Montreal, the entire Port of Vancouver, Alcan, ADI, Reynolds, and I could go on.

I ask myself if there are other brave souls like the member for Longueuil, who told his own party that what they are accusing us of doing is not true. The Bloc Quebecois is accusing us of flexing our muscles. On the contrary, if anyone is being heavy

handed, it is the Leader of the Opposition, who always takes this approach when someone, including the member for Longueuil, does not agree with him. He told his own member that he would have to live with the political consequences of his action.

I would like to quote the member for Longueuil, who said: "I do not see why my constituents would take it out on me. In fact, the opposite seems to be happening. We have a major problem when the transportation system breaks down. People must return to work". This is why this dispute must be resolved as quickly as possible.

We have to ask why the Bloc Quebecois has taken this position. It claims to be the defender of workers in Quebec. This is not quite the case, because I myself have had calls from CN and CP railway workers in Coteau and Kirkland who are not happy that this dispute has still not been settled.

The economy, workers, everyone is affected, but still the Bloc Quebecois persists. It persists, in my opinion, for purely partisan reasons. They have said that we could have resolved this dispute as early as Monday. Again, this is not the case, because another 60 days would have gone by before the dispute was settled. Why does the Bloc see itself as the defender of workers? The main reason is because under Quebec law unions represent workers. It is no accident that the CNTU, the FTQ, in fact all the unions, support the separatist position. This is the sole reason for the Bloc's partisan politics today.

Thus far, at least the Reform Party is supporting us and even the NDP has seen the light. We have the support of the member for Longueuil and also of other members not brave enough to rise and vote against their party. Even the Quebec Minister of Transport has told us that this dispute must be resolved as quickly as possible.

But not the Bloc Quebecois. The Bloc wants to stall the process; it is not in its best interests to see things improve, because it does not want to show that federalism works. It really does not care about those affected by this conflict, including the small businesses that cannot get their raw materials or imports.

So, here we are today. We could have settled this conflict a long time ago. But no, we have to sit on a Saturday. I am told this is the fourth time, and it has not happened in years.

• (1105)

An hon. member: That is what we are paid for.

Mr. Discepola: The hon. member said that is what we are paid for. Sure, but every hour spent in this House today costs the taxpayers an extra $25,000. All this because, during an opposition day, the Bloc members insisted on talking about the CBC and the Department of National Defence, rather than try to solve this conflict.

I will conclude by referring to a comment made earlier this week by the Leader of the Opposition, who said that the referendum should be held as soon as possible.

Some hon. members: Hear, hear.

Mr. Discepola: The sooner the referendum is held, the sooner the Bloc Quebecois will have to decide. Does it really want to play its role of official opposition and look after the interests of all Canadians, or rather pick and choose the issues, as it has already shown it is doing?

[*English*]

It is important to get this conflict settled as soon as possible, and not at the expense of the workers as the Bloc Quebecois would have us believe.

The government has always preferred to let conflicts be settled between the two parties involved. We have tried. The minister in her new role has tried in vain. We are at the point now where the economy is paralysed and companies are closing down. The government, contrary to what the Bloc Quebecois says, has decided to act.

Let us get the economy back on track. Let us get the trains running. Let us have the referendum as soon as possible. Then the Bloc will have to decide whether it wants to remain the opposition or resign and let the Reform take over.

[*Translation*]

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Madam Speaker, following the failure of the Meech Lake Accord, the then Quebec Premier stated that, regardless of what was said or done, Quebec was and always would be a distinct society.

Some hon. members: Hear, hear.

Mr. Guimond: Those are the only fine words spoken by former Premier Robert Bourassa. Today, we have yet another clear demonstration of that, and I want to tell the member for Vaudreuil and the federal Minister of Industry that, as far as democracy is concerned, Quebec has nothing to learn from these individuals. Let me explain.

Some hon. members: Oh, oh.

Mr. Guimond: Madam Speaker, could you ask the hon. member for Nickel Belt, the young pup from Nickel Belt, to go yap outside the House?

Section 53 of the Quebec Labour Code provides for parties to begin and pursue their negotiations diligently and in good faith. Again this goes to show that the Quebec Labour Code is more progressive than the Canada Labour Code, which does not include any such provision. I want to point out to the House and to the people who are watching us that, contrary to what Liberal members may have said, the Bloc is not made up of unionists only. For 17 years, I was involved in labour relations on the

management side in Quebec, but there is one thing I have always respected and that is the workers' right to strike.

• (1110)

I support management, I am proud of it, but I have always recognized the workers' right to strike and the employers' right to lock them out. Having made this clear, let us turn now to the Hope report. On the issue of good faith, I want to quote from page 58 of the Hope report, paragraph 1, where it says: "In brief, the unions are faced with proposals put forward by the railway companies which they cannot accept, so they must choose confrontation as their only alternative to these unacceptable demands". Unacceptable demands made by management.

Also on page 58 in the Hope report, paragraph a), it says: "The dispute resolves around the companies' demands which can be described as controversial and provocative."

Further down on page 58, the report reads: "Their demands—that is the companies' demands—are so controversial and provocative because of the partisan role taken by the government"—this is Commissioner Hope speaking—"the partisan role taken by the government"—which is, until further notice, the Liberal government—"which supports the position of the railway companies, and because of the tenacity with which the companies have stuck to these demands". This quote can be found on page 58 of the Hope report.

Mr. Loubier: This is only a huge charade on the part of the government, to score political points.

Mr. Guimond: I would ask the Canadians and Quebecers who are watching us today from their living room or their kitchen to remember—Quebec has a fine motto: "I remember"—that the Bloc Quebecois exposed the fact that the president of CN, Paul Tellier, who has a yearly salary of $345,000 plus a $52,000 a year expense account, received a $300,000 interest–free loan to buy a house in Westmount.

Let us ask ourselves if it is normal, if it is realistic, in 1995, that a senior civil servant paid with our taxes, the taxes of Canadians and Quebecers, benefit from such perks. I do not care if these advantages are offered to the president of CP or the president of General Motors of Canada. If these companies want to share their profits, they have the right to do so. However, when the president of CN benefits from such perks and we are paying for that through our taxes, it is a different matter. Do the viewers who are watching us today pay their mortgage each month?

Mr. Loubier: Yes.

Mr. Guimond: We pay our mortgage, and the president of CN, who is a government official, should pay his mortgage like everybody else.

Some hon. members: Hear, hear.

An hon. member: He has negotiated good working conditions for himself.

Mr. Guimond: I welcome Paul Tellier to the next referendum debate and I look forward to hearing him say to Quebecers that they have to tighten their belts, just as he is saying to railway employees. There are full–page ads in the daily newspapers saying that CN has many employees who are paid for doing nothing. But what about his interest–free loan? We have to remind Canadians of that.

I also want to remind members of this House and all our viewers of what our Minister of Transport said at the beginning of October when he was guest speaker at a dinner held in Winnipeg by WESTAC, the Western Transportation Advisory Committee. He said: "Railway workers with grade eight or nine education cannot be blamed for negotiating excessive labour contracts".

That shows the contempt that the Minister of Transport feels for the 62,000 railway employees in Canada. These comments come from someone on the management side. I come from the management side, and I say that some things are totally unacceptable. The employees' level of education has nothing to do with all this. Railway workers are important for rail transport in Canada, and the proof of that is that, since they have decided to exercise their democratic right to stop working, rail transport is shut down.

• (1115)

Often, we hear: "You, the opposition, are good at denouncing. You are good at blocking things". Yes, but we also make proposals. True, we oppose the government and I would like to tell the Liberal majority members that when we are not here any more, once the sovereignty of Quebec has come about, you will have the Reform Party as the official opposition and everything will be very fine. You will have an extreme right party as the official opposition and you will just see that everything will be fine in Canada. As for us, we will be sovereign.

I would also like to take this opportunity to thank the hon. member for Nickel Belt for reminding me of the role of the NDP, the party which had been, since the time of Tommy Douglas, traditionally committed to fight for the interests of workers. I want to say to all the workers of Canada and Quebec that the only party that is fighting for the rights of workers, including the right to strike, is the Bloc Quebecois. The NDP has abandoned workers.

Some hon. members: Hear, hear.

Mr. Loubier: They joined the Reform.

An hon. member: That is true. They abandoned them.

Mr. Loubier: The NDP Reformers.

Mr. Guimond: What is the Bloc Quebecois proposing? We are told that we are good at criticizing, but we also put proposals forward. As recently as last Tuesday, our leader, the hon. member for Lac–Saint–Jean, really made an offer to the Prime

Minister and the government, saying: "We agree to pass back to work legislation and to ensure mediation for 60 days, to put an end to the exercise of the right to strike and the right to order a lockout, so that the parties can negotiate on an equal basis, freely and democratically. Then after that, we will see".

We proposed exactly the same solution as the one used in the dispute at the Port of Montreal. There are 7,000 containers now leaving the port of Montreal. People there are busy working and negotiating and my sources tell me that there is good hope an agreement will be reached. There has been no special legislation to deal with the dispute at the Port of Montreal.

Some hon. members: Hear, hear.

Mr. Guimond: I just described the suggestion put forward by the Bloc. In conclusion, I would like to remind the House of what the Liberals are suggesting. They want to cut down on working conditions of railway workers, more particularly those at CN. The last budget announced a garage sale, a spring clearance sale in the transportation sector. To make the assets more saleable, collective agreements will be made less expensive, especially those of the workers at CN. The Liberals want to take away from workers their basic right to strike, the only democratic means they have to express their dissatisfaction with their employer. Nobody likes to go on strike, but when you have to, you have no choice.

Mr. Martin Cauchon (Outremont, Lib.): Madam Speaker, I am very proud to take the floor today to speak to Bill C–77, an Act to provide for the maintenance of railway operations and subsidiary services.

I am proud because the action the government and the Minister of Labour have taken is basically a responsible move. When I look at the opposition members, I have to admit, much to my regret, that they are consistent. Members of the official opposition party are consistent because they always had as their philosophy that politics never work. Consequently, they apply that philosophy to everthing they do.

People are told that is their philosophy, and people will make up their own mind. But now, I would like to examine the two opposite positions we have before us today. On one side, we have the stance of the official opposition that wants to amend the bill.

• (1120)

Where does that amendment leave us? The opposition proposes a 60–day mediation process, that is 50 days for mediation and 10 days to let the Minister read the report and table it in the House. But, after these 60 days, if there is no agreement, we are in a dead end, and it is back to square one with the lockout, strike and never–ending disputes. That is not the way things should work with responsible people and a responsible government.

On the other side, there is the position of the government, which is reasonable and responsible, which I support and which gives a mediation–arbitration commission composed of three persons a 70–day mandate to let the parties try to reach an agreement by mediation. During this 70–day period, the committee will hear both parties, and then, if the parties still do not reach an agreement, there is no denying that the members of the commission will have in hand all the necessary elements to make a proper decision. They will be able to weigh both sides and, after the 70 days, if no agreement is reached—because we, as the government, want to go ahead, and all parties, no doubt, want to go ahead—this commission will make a decision in full knowledge of the facts.

There is no need to go any further and explain in greater detail the positions of both parties. There is no need to further elaborate to see that the government's solution is realistic and reasonable. However, I will repeat what I said at the beginning. It is sad to see that members from the Official Opposition are unable to rise above their own political interest and partisanship. How can they confuse their own interest with that of the population, the public interest? How can they confuse partisanship with such serious problems requiring a quick conclusion and solution.

On the other side of the House, they disregard the interest of employers and employees and they also disregard the numerous economic problems this dispute is creating in Quebec. The previous speakers talked about that, therefore I will not give you the long list of businesses having a hard time these days, and the long list of employees being laid off. It is sad to see these people claim they represent the workers when, in fact, they are acting in their own best interest. Once again, they are just trying to fool the people. The Parti Quebecois simply does not want the system to work.

Since the Parti Quebecois was elected in Quebec City, they have showed us repeatedly, and they are demonstrating once again that they do not want federalism to work. Unfortunately, they apply this ideology to real problems affecting the public. They have left the Canada–wide negotiation table on environment, where Quebec was one of the main and most important participants. But since they do not want the system to work, they left the table. What annoys them right now is that you have here, on this side of the House, a responsible government, a government that is holding the course, that is also responding to the expectations of the provinces. We only have to look at the finance minister's budget.

• (1125)

Some hon. members: Oh, oh.

Mr. Cauchon: I say that we only have to look at the finance minister's budget. To see how much this annoys them, we only have to listen to the opposition members yelling today. When they are annoyed, they yell and they yell loudly. That is what they are doing right now. The budget responds to the requests of the provinces. For instance, the Canada social transfer gives much more autonomy to the provinces and will allow them to refine their own social programs. That annoys the Bloc. They are now trying other political avenues, still for partisan purposes. What is sad this time is that they are playing party politics on the backs of workers across Canada. And that is mean–spirited.

The finance minister also responded to the expectations of the provinces in terms of national standards. The new Canada Transfer and the national standards will be worked out with the provinces. The provinces will be asked to discuss these standards with the Minister of Human Resources Development, so that they will reflect the reality of all the provinces, the Canadian reality.

In conclusion, there are on this side of the House, thank heavens, people who are capable of rising above political interests and capable of acting responsibly to ensure that we make decisions so that, in this case, the economy and labour relations can progress and, ultimately, all workers across Canada, the Canadian economy and Canada as a whole can benefit. The message that I am sending to the opposition parties is this one: stop acting for purely partisan motives. People told you that during the regional commissions; they want governments that deal with the real problems, and that is what we are doing in the case of the rail dispute. I congratulate the labour minister for her initiative, and I also commend the government for its responsible vision.

Mr. Bob Ringma (Nanaimo—Cowichan, Réf.): Madam Speaker, I am very pleased to rise and speak to Bill C–77. Part of the blame has already been put today on the Bloc Quebecois. You could also argue that they did not act as a national party nor in the interests of Canada, and that they only have the interests of Quebec at heart. Personally, I would blame the government far more than the Bloc.

Some hon. members: Hear, hear.

Mr. Ringma: I say that for several reasons. First, over the last 18 months, the government reacted to things instead of acting, as it should have.

[*English*]

If we look at the longshoremen's strike as well as the rail strike, we can see that the government could foresee what was going to happen. The government knew there was a strike coming on. What did it do? Nothing. C'est le mot précis, rien.

We have a government that is reactive. We have any number of examples, one being the budget. Look at the government's action on the budget. It knew it had to do something but how much did it do? Just the bare minimum to keep things a little bit in balance. That is the government's approach throughout this.

Look at national defence and the situation with the Canadian forces. We have had this whole Somalia thing whirling around our ears for several years now. The government had the opportunity to take action on this but it did not.

• (1130)

I blame the government for a lack of leadership and a lack of initiative. Let me remind the House of the airborne situation. The government saw what was coming. It was pressed as long ago as September 1994 to have an inquiry, get things out in the open, and find out what had gone wrong. The government said no, it would wait. It dragged its feet. When it stopped dragging its feet, it finally moved a baby step, not a big one, never enough to cope with what is needed.

We find exactly the same thing with Bill C–77. Bill C–77 is not a permanent solution. It gets us off the hook for another year or maybe two years. We will be voting for Bill C–77 because we have a Canadian problem on our hands. This just temporarily gets us off the hook. It is another baby step on the part of the government.

Permanent solutions are available. My hon. colleague from Lethbridge proposed a private member's bill, Bill C–262 a week or two ago. In Bill C–262 lie the seeds of a permanent solution the problem, not only in the rail area, but in the area of stevedoring as well. Why do we not come up with a permanent solution to these things? We have had 50 years of strikes. What does that mean? It means that the collective bargaining process in the area we are talking about and in the longshoring area is not working.

We had the recent strike in Vancouver. Incidentally no one else here was very concerned about it. "It is just Vancouver so we will legislate that quickly. No big problem".

I want to read a couple of quotes from two things. One is part of a letter from the Canadian Wheat Board to the government: "In a letter to your government dated April 1994, we the Wheat Board proposed that in those cases where a negotiated settlement could not be reached, a binding arbitration process, including final offer selection be instituted. This type of action would mean that a strike could be averted and the parties could continue to pursue collective bargaining. In short, the interests of all parties could be satisfied". This is the wheat board talking to the Government of Canada.

This went out a year ago in April 1994. It has been reiterated in March 1995. These are cries in the wilderness saying: "Government, please listen". Government has a responsibility to take a leadership role and it is not doing it.

I would like to read a line or two from a commission that looked into the Vancouver ports area several years ago. The commission stated: "There are two key impediments to the future growth of container traffic in the port of Vancouver. One is a lack of co–ordinated effort by various links in the intermodal chain. The other is a poor labour relations climate in the port of Vancouver which acts as a disincentive for potential investment in the port and its related intermodal linkage.

• (1135)

To overcome both these impediments requires a new approach to managing human resources and organizational behaviour in the port than has been taking place in the past. The experience in Puget Sound ports, particularly in Tacoma, reveals that these elements can be adjusted, attitudes can be changed and reputations can be altered. The key to success seems to be the provision of leadership and effective organization in order to harness and channel available resources toward an identifiable goal". It is possible.

Let me cite one other example where the government could have done something in anticipation of a problem. It commissioned the Fraser report. A year ago the Minister of Human Resources Development appointed Paul Fraser to conduct an independent review of current labour issues on the railway. This report was supposed to be tabled in June 1994. It is still not on the scene. Where is the Fraser report? What is the government doing with it?

Was the minister so flustered by the lack of progress with his social programs that he scrapped this one as well? We have a new Minister of Labour in the House. Perhaps that minister will pick it up and do something with it.

The Fraser report, along with all the other reports that have been done ad nauseam, may have provided a long term solution to this continuing problem. However, the Fraser report is non–existent. Even if it did exist, it would be ignored. The point I am making is that the west coast terminal strike could have been avoided in the same way that this railway strike could have been avoided. We need a commission to come up with a permanent solution.

I stand here as a Reformer, saying this is what the government should do. However I know that not many across the way are listening. Sometimes I ask myself, are you being effective in Parliament, member for Nanaimo—Cowichan? A year ago I would have given you the answer: I really do not know. What am I doing here? What effect am I having? This year I have the answer. The answer is: If we stick to our principles, which we are doing, the markers are moving.

The Minister of Finance, for all the world, sounded like a Reformer a month or two ago. He sounded totally like a Reformer. He was getting the message. He was trying to get that message across through the budget.

Mr. Stan Keyes (Hamilton West, Lib.): Madam Speaker, it is my duty and privilege to rise and speak to Bill C–77, an act to provide for the maintenance of railway operations and subsidiary services.

I wish to address my concerns to the railway employees who may be watching this important debate. For the reasons enunciated so clearly by the Minister of Labour, the Minister for International Trade and the Minister of Industry, the service you, the railway workers and management, provide is the lifeline and key component of the country's extensive transportation infrastructure.

You supply a vital service for the industrial trade and agricultural sectors of our growing economy. We in the House can appreciate concerns for your personal finances, but would you disagree with this member for Hamilton West when I say that the best job security you can have is to work for a company that makes a profit.

• (1140)

The economic impact of the current rail strike has been made painfully clear to each and every one of us. We hear of it in our ridings. We see the impact on the operations of a broad range of large and small industries and employers.

In its opposition to the legislation, the Bloc Quebecois is parochially principled. The official opposition is pretending that it is acting in the interest of collective bargaining rights by criticizing the mediation and arbitration provisions of Bill C–77, the merits of which have not been questioned by the stakeholders.

By perpetuating this kind of navel gazing, the official opposition is not only missing the entire point of the legislation, it is also thumbing its nose at the real concerns of both labour and management.

While the opposition's thinly veiled political agenda continues to cripple the Canadian economy, 2,500 Canadian auto workers at Ford's St. Thomas, Ontario plant have been sent home because of shortages. Three thousand, nine hundred Canadian auto workers at Oakville and Windsor were forced to work half time this week. Seventy thousand commuters in Montreal and Toronto are lined up on the highways and at the bus stations facing long delays getting to and from work. Not to mention it is estimated the national rail strike could end up costing this great country, a country in a period of growth, $3 to $5 billion by the time it is finally resolved.

In the same way that railway employees and management would like to stabilize their labour related economic circumstances, we in government must do everything we can to stabilize the nation's economy. In short, from an economic standpoint we have to be productive to survive. It is that simple.

The transportation critic for the Bloc Quebecois went beet red in the face a few moments ago decrying the economic advantages of management. I agree with the opposition critic. They

are outrageous but there are two sides to that story. There are two sides to every story.

He conveniently forgets about the 600 employees on full salary who are not working under the current arrangement. If CN needs 250 employees in Calgary, not one of the 600 fully salaried, non–working employees in the east can be moved to Calgary to fill those jobs.

An hon. member: Industrial relations.

Mr. Keyes: There are two sides to every story, I say to the hon. member.

It has been established that such labour provisions could end up costing CN $77 million over the next five years. I repeat, the best job security an employee can have is to work for a company that makes a profit.

The example given by the Bloc transport critic and the example given by me just now have brought negotiations to an impasse. I appeal to the members opposite to end the petty politicking.

Almost two years of negotiations have produced no progress on any of those major issues. The Bloc wants another 60 days of mediation, which neither side in this dispute wants, only to eventually and most probably bring us full circle back to where we are at this moment in the House.

I ask the Bloc Quebecois, I ask the official opposition, to think of their constituents who must bear the economic burden of the Bloc's opposition to Bill C–77. Think of the many workers across the country who are waiting, who are praying to get back to work. There is nothing to be gained by waiting but there is much that is being lost.

• (1145)

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Madam Speaker, first of all I may recall that whatever hon. members opposite may have said, the reason we are here today and the trains are still not running is not because of the Bloc Quebecois but because the government refuses to accept a universal labour principle: mediation.

They want to impose arbitration, they want to impose terms and conditions of employment and give the public the impression that the Bloc Quebecois is to blame, although from day one, on Monday and the day after, the Bloc Quebecois, through its leader, offered to settle the dispute immediately if the government accepted mediation. We in the Bloc are just as aware as you that this is a serious matter. We realize, as you do, that the workers must get back to work as soon as possible. But that is not the point of this debate.

Today's debate is about the fact that the government absolutely wants to prescribe arbitration and impose terms and conditions of employment, not about mediation, a mechanism that works very well. Just this past week in the Port of Montreal, negotiations led to a settlement, acceptable to both parties, that will provide for good labour relations.

I speak here as a member of the Standing Committee on Human Resources Development which examined this bill clause by clause on Wednesday, under a gag order. This is the first time in the history of this Parliament that a government imposed time allocation on the consideration of a bill in committee. And we only had four hours to consider it. We nevertheless proceeded to clause by clause consideration.

Also and above all, I speak as the member for a riding that has a high concentration of railway activity. I want to talk about the railway centre in Charny, created mainly because of that activity. I regularly meet people who work in this town. I visit them regularly, almost daily, although perhaps a little less, of late, because I have to be in Ottawa several days a week. I speak on the behalf not only of the rail workers but of the people whose livelihood depends on the railways. In my riding, there is no problem. Business people realize that the railways are important. The government obviously does not, since it let this dispute deteriorate.

Without wishing to make this a personal crusade, I want to say that I listen to what my constituents have to say and represent their concerns. CN workers in my riding are so concerned about the future of a business to which they are very much attached that they made the president of CN a purchase offer. Is this evidence of bad faith, when people believe so strongly in the business they work for that they want to buy it? They want to keep their company alive, unlike Mr. Tellier who ever since he was appointed has been doing a job on CN.

The hon. member for Beauport—Montmorency—Orléans said earlier that Mr. Tellier is now the highest paid public servant, with an annual salary of $345,000 plus a personal expense allowance of $51,000. He also asked his company for an interest–free loan so he could acquire a house in Westmount. He even said in the paper that if CN had not agreed, he would have turned down the job. Poor Mr. Tellier.

Last year, he came to Charny to explain to workers the reasons for cutbacks and job cuts. The workers told him they did not see why he was cutting positions because conductors were working overtime, were always on standby with a pagette and sometimes worked 14 days running.

• (1150)

Why cut jobs under these circumstances? It would be much better to have more people working in order for everyone to have better working conditions and a better quality of life. But no, he did not listen. Mr. Tellier is not the only one causing problems at the CN level. Some senior officers, though not many, have left, and each time it ended with an agreement of several hundred

thousands of dollars. In some cases, the amounts even came close to $600,000 in addition to pension benefits. Is that the sort of example to give when workers are being asked to tighten their belts? My constituents say no, and do not accept such poor service. I believe that if people knew what is going on at the CN, they would not accept it either.

What is lacking is information. But if you want information from the CN—I sat on the transport committee last year. Six months later, the president of the CN still has not given any answers to the legitimate requests made by the opposition in committee. He has not answered his employees either.

The amendments proposed by the Bloc Quebecois today relate mainly to mediation and seek to eliminate the word "arbitration", the process that the government wants to impose. The main problem is clause 12, which we want to amend in such a way that the commission it refers to will be guided by the need for good relations between the employer and unions and, to this end, promote terms and conditions of employment that take into account both the workers' acquired rights, the economic situation and the competitiveness of the whole Canadian rail system. But the government refuses to support such a balanced approach, which would take into account both the needs of the workers and the economic situation. No CN employee wants to hurt the economy, quite the opposite. But we can see that the government, that wants to privatize the CN, is eager to sell it off, bit by bit, to companies whose interests sometimes do not match those of the rail industry. We have seen people in that situation in the case of Murray Bay for example. Those people are truckers. What interests are they promoting?

There is no enthusiasm whatsoever. I have been saying it over and over again and I have been in contact with people in the rail industry in my region for many years. The poor labour climate imposed by management drags on and on. Unfortunately, the same executive team which was in place under the Tories is still there to finish the dirty job. This government said that it wanted to put an end to this situation, but in actual fact, through its decisions, it continues to implement the policies of the Conservative Party. People in Quebec have trouble understanding why it is so. There is something else Quebecers have trouble understanding. In Quebec, like anywhere else, there have been strikes, yet people have come to accept the principle of the right to strike. People understand the importance of mediation, and of negotiating working conditions. This creates a better climate and this is a more productive way of doing things. Recently, at MIL Davie, workers accepted the working conditions which had been negotiated that way, because they understood how important those conditions were for their company, its survival, and also its improved operations.

People balk at the working conditions the government wants to impose. The government is refusing to enforce appropriate legislation. There is a labour dispute at Ogilvie, which has been dragging on forever. Scabs have been allowed in, even though this is happening in Quebec. Why? Because of the federal legislation.

To conclude, I will say that Quebec is a distinct society. In Quebec, we refuse to work in a climate of confrontation. From now on, we want working conditions in Quebec to be democratically negotiated.

Some hon. members: Hear, hear.

• (1155)

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Madam Speaker, I listened carefully to the speech by the member opposite and I am wondering if he has read, like I did, what one of his own colleagues, the member for Longueuil, said:

> I receive lots of congratulation phone calls. I only got calls of praise. Even good sovereignists and some mayors called me to pledge their support.

He was speaking of the fact that he sided against his party, the Bloc Quebecois. A bit further on, when some people threatened to penalize him for the stance he had taken, the member for Longueuil said:

> I do not see how voters could penalize me. It seems to me that exactly the opposite is happening. We have a major problem because transportation is almost at a standstill. These people must go back to work.

This is what the Bloc member said of his colleagues—at least, he was a member of the Bloc Quebecois when this interview was made. The member for Rosemont must know that.

This strike is damaging all parts of Canada, all across the country. We must put a stop to it. I received calls from constituents and also from striking railway workers. In a specific case, a friend of mine told me—

Some hon. members: Oh, oh.

Mr. Boudria: Perhaps this concept is beyond the hon. members across the way, but sometimes voters are friends with their MP. I realize this does not happen often with the Bloc Quebecois members.

You know, at the risk of boasting, when I received 80 per cent of the votes in my riding, some of them at least were by friends.

So, this voter called me to say it was impossible to live on $3 a day strike pay. The hon. members opposite do not live on $3 a day. No, they get their full salary. And so they should, but they should remember that some people are not as fortunate as they are.

[*English*]

Let us look at some of the effects of this. General Motors and Ford employ around 21,000 people in the greater Toronto area and their plants have shut down. They cannot ship all the cars they are selling and get all the parts to keep those plants running by truck traffic alone. It is impossible. They need the rail sector. That is why it is there.

[*Translation*]

The Canadian Manufacturers Association said that the strike cost the Canadian economy between $3 billion and $5 billion a week. I have just heard the Bloc Quebecois finance critic. Perhaps he was hoping that no one would hear him. He said that this was more than Canada's GDP. I hope Canadians in the manufacturing sector heard the words of the Bloc Quebecois finance critic.

We cannot go on like this. I beseech the hon. members across the floor to do their duty and vote with the government to end this strike. Otherwise, if they want to vote against it, I will respect their decision to do so. But I would ask them to please stop blocking—even though they are Bloc members—the entire country as they are today. They can vote against the bill, but they must allow it to be passed.

Even in Quebec, Kruger in Trois–Rivières, Stone Consolidated Inc. in Port–Alfred, Pétromont, Shell in Montreal, the port of Bécancour, Alcan, ADI, Reynolds and Lauralco—they all need rail service. These people need us to end the strike today.

• (1200)

A few minutes ago, I telephoned the St–Isidore de Prescott farmers' co–operative, in my riding of Glengarry—Prescott—Russell. The hon. members opposite who take the 417 highway to get home will undoubtedly remember passing by the lovely community of St–Isidore in my riding. Workers at the St–Isidore farmers' co–operative told me today that soya beans cost 20 per cent more this week.

Some hon. members: No, no.

Mr. Boudria: Oh, no? Well, I am telling the members opposite to dial the following number: area code (613) 524–2828. Ask the people at the St–Isidore co–operative. They will tell you: farm products now cost 20 per cent more in my riding because of the Bloc's actions today, because of the Bloc members' failure to fulfil their public duty.

[*English*]

And if that was not enough, we are sitting in the House of Commons today. Of course all of us work full time in this business. If we were not here doing this, presumably we would be home meeting with our constituents. So either way we would be working.

In order to keep the House of Commons sitting today it costs the taxpayers of Canada $17,125 an hour more than what it normally costs. I repeat, $17,125 an hour more. Tomorrow if we sit, it will be more like $25,000 an hour. I say to the MPs across, if by some misfortune, some unlikely proposition they were to refuse unanimous consent later on today to do third reading of this bill—

Mr. Milliken: I cannot imagine that.

Mr. Boudria: I cannot imagine it either, but if they do, they are going to cost the taxpayers of Canada another $100,000. When people are brought in it is for a minimum of four hours. Therefore it will cost another $100,000 to prolong their ego trip for one more day. It is going to cost another $100,000 to the good people of Canada who are paying the salaries of the members across the way along with the rest of us in this House.

[*Translation*]

Mr. Leroux (Richmond—Wolfe): Why are you afraid of our amendments?

Mr. Boudria: I would like to say to the hon. members opposite, who have not stopped making a ruckus, that I understand their agitation at this moment; they may be a little embarrassed. The hon. members opposite are finally beginning to see the light, and that makes them restless. They look like they are on the defensive.

An hon. member: What was the number again?

Mr. Boudria: 524–2828. I repeat for the information of hon. members opposite that is the telephone number for the St–Isidore farmers' co–operative. And that is but one of the farmers' co–operatives in my riding. There are others, farmers in my riding which the Bloc purports to defend from time to time, Canadian farmers. I say to them: Wake up. Help the Canadian farming industry. Help Canadian industry in general, from coast to coast. Help everybody who takes commuter trains to get to work, be it in Montreal, Toronto or elsewhere. They too want to have transportation to get home and see their families.

I say to the hon. members opposite and to the leader of the Bloc that hundreds and hundreds, even thousands of people in Toronto and Montreal would like to be like everybody else and go home, but are unable to do so at present. Why? Because of the strike which could have been ended a week ago, had the hon. members opposite given their consent.

Some hon. members: Oh, oh.

Mr. Leroux (Richmond—Wolfe): We could have ended it a week ago.

Mr. Boudria: Why did they not consent?

[*English*]

It is because of the ego trip they are on. That is the only reason. Instead of doing what is right, they did what a handful of people asked them, told them or ordered them to do, instead of doing what their constituents want. That is the sad reality. That is what the Bloc Quebecois has been doing for the last week,

initially supported by the NDP just in case some Canadians had forgotten. But even the NDP came around. That tells us that even the people in the NDP finally got some common sense. Well, I hope the Bloc Quebecois gets some now.

• (1205)

Mr. Ray Speaker (Lethbridge, Ref.): Madam Speaker, I appreciate the opportunity to speak on behalf of the Reform Party with regard to these amendments.

[*Translation*]

Mr. Gauthier: Madam Speaker, on a point of order, at the invitation of the hon. member for Glengarry—Prescott—Russell, we checked at the telephone number he gave, and everything is fine.

The Acting Speaker (Mrs. Maheu): Does the hon. member for Rosemont have a point of order?

Mr. Tremblay: Madam Speaker, could the hon. member be asked to retract what he said, since the facts were wrong?

Mr. Boudria: Madam Speaker, I called from the lobby. I was told that soya beans cost 20 per cent more today.

Mr. Bouchard: We just called.

Mr. Tremblay: Madam Speaker, the hon. member did not retract what he said, although a mistake was clearly made.

The Acting Speaker (Mrs. Maheu): Order.

Mr. Bellehumeur: I just made the call myself.

Mr. Boudria: They cost 20 per cent more.

The Acting Speaker (Mrs. Maheu): Order. Order, please. I would remind all of the members who rose on the point of order that it was a point of debate. I now recognize the hon. member for Lethbridge.

[*English*]

Mr. Speaker (Lethbridge): Madam Speaker, looking at the situation before us we can say that the delay is unfortunate for all Canadians to a great extent. The responsibility today certainly lies with the Bloc Quebecois as its members come here and go through a lot of political gymnastics in an attempt to prove something to Canada. That is absolutely wrong.

The amendment before us asks for what is called a mediation commission. If there was sincerity behind that amendment I would buy it. However, when I listen to the Bloc present its case to this House, the case is one of political expediency. It is not to change the law of the country nor to bring about a common sense solution to the problem. Therefore I do not buy it, nor do my Reform Party colleagues.

It is unforgiving for a political party to play with our economy. Ministers of this government have outlined situations that are costing Canadians billions of dollars. My colleagues have given examples where industries are hurt, where factories and a variety of businesses which are very dependent upon shipping in this country are hurt to a significant degree. And politics are being played in this House to delay the inevitable, that the workers must go back to work and that we must get the transportation system back on track.

That is where we are today. As a common sense political party, we believe it is time to act. The Minister of Labour has brought legislation before the House. We are prepared to support it and move it as quickly as possible through the final stages.

• (1210)

I know we have been critical of the Minister of Labour. However, we have also generalized it to government saying that the government should have acted sooner and not only brought in back to work legislation but also put in place a long term solution to the problem.

The Minister of Labour, as I listen to her in her new assignment, is committed. We are going to hold her accountable for this on behalf of the Reform Party. We will also hold her accountable as the representative of the Liberal Government of Canada. From what I understand, the commission which is going to be established will bring about a long term solution to the problem. We want that to happen.

I have heard other comments in the House today that would only support that general direction of government, the somewhat commitment of government. I hope it is a real commitment. I hope it is not just political statements for expedient reasons at this point and then six months to a year from now we have no action by government toward a long term solution.

As I listened to the Minister for International Trade today he said: "Rail services should be available so that our goods can reach our ports and move across the U.S.–Canadian border". We agree with that. That is the way it should be. The minister also went on to say that we need a more satisfactory way to resolve disputes in our rail system, which is absolutely true. We support that. That is a statement of commitment by the minister as I read it. I hope that minister will follow through and with the Minister of Labour will bring about a long term solution.

The minister for trade also went on to say in his remarks to this assembly: "Early resolution of the rail strike which is causing such problems to our rail system is certainly necessary". We agree with that as well. That is why we are here today.

That is the position of the Reform Party. We want action. We want action immediately to deal with this matter.

It is my hope that the Bloc Quebecois will reconsider delaying this debate until tomorrow so we can forgo further expense. The government whip has indicated there are enormous costs in continuing the operation of this assembly, not only for Saturday but on Sunday as well. These unnecessary costs are being placed upon Canadians because of one political party that wants to play a political game, which is completely unsatisfactory.

Where are we then as the Reform Party? What is our position? What do we think should be done at this point?

First, we are prepared to support the current legislation, Bill C–77, that will put the workers back to work and our transportation in operation as of this coming Monday.

Second, we are concerned that the government did not put the legislation in place at an earlier date. There were many signals. My colleague, the critic for labour, indicated in his remarks that the signals were there and that the government should have put in place legislation upon which we could have acted more quickly.

Third, we think there is a long term solution to this problem. Bill C–262 was voted on in this House earlier this week. A principle in that bill is supported by a number of groups across Canada. We said clearly in Bill C–262 that there should be binding arbitration in place to bring about a conclusion to a dispute. The two parties in that process would each place their final offer on the table, the arbitrator would choose, and our rail system would continue to work.

Some people say that is the wrong way to handle the problem, that we violate some basic principles of the collective bargaining process. I do not believe that is true. In this circumstance there is a difference.

• (1215)

In collective bargaining circumstances we have management and employees. They bargain back and forth through the process and reach a point where there can either be a lockout or a strike. Under most circumstances that is acceptable.

However, when we are looking at the transportation system of the country there is a third party that loses its rights, that does not have any say in the process but pays the bill. The most obvious example is the agricultural community, the agricultural producer or the processor of agricultural products. We are required as farmers or agricultural producers to ship our goods via the railway. When there are no other options we must place the goods on the railway, get them to port, into the hold of the boat and into the international market.

If we cannot have a reliable transportation system there will be a huge economic impact on the agricultural sectors. We have seen that some 15 times in the last 25 years. Billions of dollars have been lost in that industry. The third party, the producer, was the victim. He had no say but paid the bills. That is unacceptable.

With Bill C–77 we will have binding arbitration in place that will be the solution to the problem. It has been the solution to the problem some 14 or 15 times in the last 25 years. It has been the only way to settle the problem. It has been satisfactory to management and employees. Government has had no other alternative but to knee–jerk and bring in special legislation to put people back to work.

Our recommendation as the Reform Party is that we should have that mechanism in place on a permanent basis so that when the two parties get to a point where they have to settle a dispute arbitration kicks in and the solution is there for the problem.

[*Translation*]

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Madam Speaker, I must admit that I am saddened today to see that we are unable to reach an agreement on a serious problem which is hurting the country and its citizens so much. I would have thought that when faced with such a big challenge, we could have given each other a hand and have found a solution that would make everybody happy. Unfortunately, that is not the case.

That is sad, because the strike costs $500 million a day. By the end of the strike, say the workers come back on Monday, we will have lost $5 billion. Just break that figure down into how much each citizen of the country lost. It is a huge sum.

Obviously businesses and stores almost everywhere in Canada are affected. Obviously Canadians are all affected. It is having very, very dire and, in some cases, brutal repercussions for people. We often forget that workers are also affected. Not only those on strike, not only those who are locked out, but also those prevented from working because of what is going on. I find that so sad.

You have all heard that the Bloc is touting itself as the defender of workers' rights. But we have to ask ourselves one basic question. Which workers are they defending?

• (1220)

Is it the workers of the industries listed here: the Himont petrochemical plant in Varennes, where production has dropped by 25 per cent; ICI, a petrochemical plant in Dalhousie, with a 33 per cent drop in production; Donohue, a pulp and paper plant in Saint–Félicien, Quebec, now closed, with 100 people out of a job; Donohue, a pulp and paper plant in Clermont, slated to close down, laying off 75 employees; Franceau, in Chambord, where 190 employees stand to be laid off; Univers, in Val d'Or, which will throw 16 employees out of work; Forpan Inc., in Val d'Or,

where 146 employees could be out of work; Panval Inc., in Soyabec, slated to close down, laying off 238 employees; or PanFiber, in Mont–Laurier, where 101 employees could be laid off? Are those the people the Bloc Quebecois seeks to protect?

You know as well as I do that what they are trying to do, of course, is to disguise their true intentions. Why is it that the Bloc said absolutely nothing when the government forced the longshoremen to resume work in Vancouver? They did not say a word. Why is that? It is obvious. They have a big problem. They went too far. They did not understand. They have not been sensitive enough to the rest of the country. Now, they are looking for a way to put that behind them. They made a bad move; it was poor judgment on their part.

Let us look at the damage done by this strike. I will quote from an article published yesterday, March 24, in *The Ottawa Sun*. I want to make sure I quote it correctly.

[*English*]

> It is the height of irresponsibility for Bouchard to stall back to work legislation.
>
> The strike is costing industry $500 million a day in lost production and sales. By the time the legislation is eventually passed by Parliament on Sunday, the strike will have cost the economy $5 billion.
>
> The dispute has delayed shipments of potash, grain, coal, ore, forestry products, heavy industrial components, processed food, chemicals, manufactured products and other goods.
>
> For Canada's farmers, the strike could not have come at a worst time. It is the busiest time of year, with nearly 25,000 rail cars on sidings waiting to deliver the rest of last summer's harvest.

If we were to ask my colleague from Brandon—Souris how the people in his riding are affected, he would corroborate that it is disastrous for the farmer and certainly the western Canadian farmer.

The articles continues:

> Tens of thousands of workers across the country have been laid off because of the disruption, while many more are being forced to work half shifts.
>
> At least 70,000 commuters in Toronto and Montreal face the inconvenience of finding other ways to get to work.

The stalling tactics are certainly linked to supporting the referendum. Referring to the province of Quebec the article states:

> The strike has hurt the province's manufacturers, aluminium industry and its pulp and paper companies.
>
> For example, forest giant Repap Enterprises faces imminent shutdowns and layoffs affecting 5,000 workers that could paralyse entire communities.
>
> One of the reasons why Bouchard is being obstructionist is to keep good relations with Quebec's militant unions, which are big boosters of independence.
>
> Clearly, Bouchard feels he can't afford to anger the unions which are one of the few organized groups in Quebec willing to jump over the cliff to reach the separatist dream.

The article is a little harsh and goes on to state:

> Bouchard has demonstrated to Quebecers that he's clueless about bread and butter issues. If he doesn't know the impact that the strike is having in Quebec then imagine what would happen if the province ever separated from Canada.
>
> How can Quebecers put trust in his lofty claims that there won't be any economic fallout if Quebec separates?
>
> Obviously they can't if he isn't able to see the consequences of a rail strike which is essential to the entire Canadian economy.

That is what the article states. It is a condemnation of the actions of Bloc Quebecois members. They show quite clearly that what they are trying to do is take advantage of the situation for their own political gain.

• (1225)

[*Translation*]

There are two basic principles to consider. We all agree that, as far as possible, work agreements should be negotiated, that labour disputes should be settled through negotiation. Ideally, we all wish it could be so. But do you not think there is another principle that is equally important and sometimes more important here, namely the protection of the public, the protection of this country's economy to which we owe the quality of life we enjoy in Canada at this time? That is what we are doing today. It is not that we do not want workers to reach an agreement with their employers. We gave them time and no agreement was reached. Now, in the face of the damage done by this strike, we have to take action. We have no choice.

Many Bloc members mentioned that the bill will be used in other sectors in the future, because of what we are doing today. I agree and I challenge them by asking: Why not begin to co–operate in an attempt to settle this situation? Let us put Canadians back to work and let us co–operate in looking for solutions that will ensure that the situation never occurs again, either in the railway industry or elsewhere. How can we simultaneously protect our workers and our people? That is the challenge.

I conclude my speech by commending the Minister of Labour for her excellent work. Well done, Madam Minister! The job has not been easy. We are not enjoying this. We believe that agreements and labour disputes should be negotiated. But the time has come to give priority to the country and its people.

Mr. Paul Mercier (Blainville—Deux–Montagnes, BQ): Madam Speaker, we had no choice but to agree immediately to the request courteously expressed a few minutes ago by our colleague from Glengarry—Prescott—Russell, who said that we could verify what he said by calling the co–op he referred to. We hastened to do so and I can now reassure this House, which was needlessly alarmed by my esteemed colleague's remarks. First

of all, this co–op is not out of stock. Second, soy prices did not rise this week but dropped by 10 cents a bushel as of last night.

Some hon. members: Oh, oh.

Some hon. members: Hear, hear.

Mr. Mercier: There are reassuring news which completely contradict the comments made by the hon. member across the way, which suggest he was badly misinformed, if I may use this euphemism. I have every reason to believe that other alarmist information we have been given on the consequences of the strike is in the same category.

Some hon. members: Hear, hear.

Mr. Mercier: The current rail crisis would never have hurt the country's economy and poisoned, as it is doing, labour relations in the railway sector for long, if the Canada Labour Code had contained some of the provisions in Quebec's Labour Code, which are aimed at settling this type of dispute while keeping damage to a minimum. It is easy to imagine what would have happened, at least in Quebec, if our province had jurisdiction over the railways, or better yet, if Quebec was sovereign. Let us imagine, for the sake of comparison, how the current rail crisis would have been handled in a sovereign Quebec if the current provincial legislation had still been in effect.

Let us suppose, first of all, that, in both Canada and the State of Quebec, railway unions decide to go on strike after negotiations reach an impasse. In Canada, after giving notice, the unions go on strike, leading to immediate confrontation. Other unions are locked out. In the State of Quebec, however, things would not degenerate so quickly, Madam Speaker.

In the State of Quebec, after assessing a strike's potential risks to the public, the government issues an order–in–council.

• (1230)

With this order, the onus is on both parties to negociate, before going on strike, what we call essential services, that is the basic services to be provided during the strike in order for the users to be somewhat disturbed by the dispute. After all, it is a matter of a balance of power and not a complete stalemate.

Then you have different possible scenarios and various steps, and I will not go into the details, but at the end of the day, the government has the final word. In light of a report prepared by the board of essential services which was established to that effect, if the government considers the agreed services are not sufficient, it can suspend the right to strike until both parties agree to their satisfaction or the unions submit unilaterally a list of services that the government finds satisfactory. Then the strike is authorized and may start. That is the end of the first step which is aimed at humanizing the strike to come, a step that does not exist in Canada.

So, now there is a strike in the State of Quebec. But it is a civilized strike, if I may say so, within a well defined framework. Of course users are not pleased but their activities are not totally disrupted. What if the unions do not respect their commitments? What if the agreed services are not provided? The government will then suspend the right to strike and, in case of violation, submit the matter to the Attorney General to obtain an injunction, possibly.

The use of civilized dispute settlement mechanisms prescribed by the Quebec law does not exclude firmness, if required. Negotiations would continue throughout this civilized strike. The government might be forced to legislate in the end, but the right to strike would not be undermined and the economy would not suffer as much.

This is how things would be done in a sovereign Quebec or, if you prefer, not to prejudge the matter, if the Canada Labour Code contained some of the clauses in the Quebec Code. The outcome would be different if, instead of the confrontation made inevitable by the Canada Labour Code which is brutal and basic, we had more civilized exchanges which would allow for the inclusion of some of our own legal clauses, which are based on the need in a real democracy to reconcile the citizens' right to strike and the employers' and users' right to essential services.

In fact, the Canadian law practically led inevitably to the current confrontation and only by agreeing to the principle of mediation, which was proposed Monday by our party, could this House end the conflict without hitting very hard the workers who will not forget. How can we avoid a tragic situation in a country where, in case of a labour dispute within a public utility, the government—after 24 hours of strike by workers—has, under the terms of its legislation, no choice but to allow the strike to go on and nearly bring to a standstill the economy and operations in some sectors or deny the workers' right to strike by unilaterally putting an end to the strike after 24 hours?

The die is cast, as far as the current dispute is concerned. If this can be of any consolation to you, this assembly will soon have the opportunity to avoid similar disputes in future by amending the Canadian Labour Code in such a way that labour disputes could from now on be settled in the same civilized and efficient way as is done in Quebec.

Indeed, my colleague from Manicouagan just presented a bill—Bill C–317—to introduce in the Canada Labour Code provisions similar to those we have in ours. This bill provides for the maintenance of all essential services in case of a strike and for the creation of a board to this end. In turn, it prohibits as in Quebec an employer from using the services of a person not usually in his employ during a strike or a lockout.

The current crisis in this country will not have hurt workers, employers and users in vain, if it makes us aware of a terrible deficiency of the Canadian Labour Code and if it leads us, in order to remedy it, to enact Bill C–317, introduced by my

colleague for Manicouagan. If we indeed enact that bill, Canada—when Quebec has become a sovereign country—will have nothing to envy it as far as labour legislation is concerned.

• (1235)

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I feel I must contribute to the very important debate taking place here in the House today, because the official opposition has shown that it is unable to take a just and fair decision on issues of importance to all Canadians.

[*English*]

We have faced a serious strike situation for over a week now, a strike that is costing Canadians millions of dollars and causing thousands of Canadians to lose work, time and money. The only reason this loss is continuing is the obstruction of the official opposition.

I want to make it perfectly clear in all my remarks that the blame for the obstruction rests squarely with the official opposition. It has prevented the House from dealing with this bill in a manner that is normal in situations of this kind; that is, in an expeditious and fair way.

I know the Reform Party has assisted the government to the extent that it has supported the legislation and has agreed to time allocation in respect of various stages of the bill in order to expedite passage. I appreciate that support very much and acknowledge it.

On the other hand, the hon. member for Lethbridge in his speech this morning sought to criticize the government. When the government has acted so well it is difficult to find a way to criticize. He was really stretching things by arguing that somehow the government should have acted last week.

Let us go back to the situation of last week. I remind the hon. member that while there was a strike by a few workers with CP, CP service was virtually continuous. It was working. Deliveries were still be made. CP was still running.

The hon. member knows that. Surely he is not expecting the government to step in and legislate an end to a modest strike of that kind. The hon. member in his speech this morning was doing his best to make it appear that somehow the government was at fault for this strike when he knows that is not the case.

The government has acted extremely well. It has done exactly what it should have done. When it became apparent that there was a national strike the first thing it did was give notice of intention to introduce this bill by issuing a special notice paper last week, or asking that one be issued. He knows that one was issued on Sunday morning. If it were not for that we would not be able to complete the bill as quickly as we are moving. I regret it is as slow as it is.

The hon. member knows that I on behalf of the government and the ministers of the crown who have been in the House have tried all week to get the official opposition to abandon its rather ridiculous policy of obstructing this legislation and allowing the bill to proceed.

[*Translation*]

Last Monday, the members of the Bloc Quebecois decided to obstruct this bill and they have continued to obstruct it all week. If they had had more than thirteen members in the House Thursday morning, we would not have had this debate today or Sunday. This bill will perhaps be passed Tuesday or Wednesday of next week. Another three terrible days for Canada. What is the point of all this?

[*English*]

The hon. members opposite should really be ashamed of the position they have taken in obstructing this. I recognize their right to oppose this legislation and speak against it and vote against it if they want to do so, but instead they have used the rules of procedure in the House to full advantage to obstruct the passage of this bill and put Canadians out of work. That is a disgrace.

Always in the past when this kind of legislation has been introduced in the House—I remember we had some when we were in opposition and I have sat where the hon. members opposite are sitting today—we would make our objections very clear and very plain, and so did the NDP. In the end we allowed the legislation to go through in an expeditious manner because we recognized the public interest demands that when there is a national strike of this kind paralysing industries across Canada Parliament must act to bring the strike to an end. We allowed Parliament to act and make its decision in a rapid, responsible way.

Hon. members from the New Democratic Party obstructed the bill on Monday with some glee, as one would expect from that group. As one of the editorials I was reading this morning said, they are bought and paid for by the labour movement so we would expect they might object to this. We support labour as well. Many people who are members of unions work and support the Liberal Party.

• (1240)

[*Translation*]

The members of the Bloc Quebecois say that they have a monopoly on this sort of support, but that is not the case. Many workers belonging to unions in Quebec vote for the Liberal Party and the hon. member for Saint–Hyacinthe—Bagot, who finds this so amusing, knows very well that it is the truth.

[*English*]

I do not like to cross the hon. member for Saint–Hyacinthe—Bagot at all times. He tries his best. He knows these people are voting Liberal for a very good reason. We are providing good leadership and good government.

Most of these people want to work. Most of the people who are out on strike do not want to be earning $3 a day in strike pay. They want to be working and making money. Before the strike I had occasion to speak with various employees of VIA Rail in my travels.

They said if there is a strike, for heaven's sake legislate them back quickly, they do not want to be out for long. The Bloc Quebecois is obstructing and holding these people from their work and their jobs.

What does that do for those Canadians? What does it do for their annual salary? It reduces what they can make in a year. The members of the Bloc Quebecois should be ashamed of themselves for this obstruction.

I want to deal with the New Democratic Party briefly. The hon. member for Glengarry—Prescott—Russell and the Minister for International Trade want to hear about the New Democratic Party.

I do not see the hon. member for Winnipeg—Transcona but I know he is here in spirit. He was quite concerned on Monday that we not proceed with the bill. He refused consent. By Tuesday those members were silent. By Wednesday they were saying get it done. They have been saying it ever since. They at least saw the light.

I invite hon. members of the Bloc Quebecois to have a little look around them. Look for the light. Then the members will say yes to this bill right away. There is no point in holding this up any further. They have obstructed the bill all week. We tried on Monday to introduce the bill and get it passed. We tried on Tuesday. We had the bill introduced and asked for unanimous consent to deal with it in all stages. That was refused at least twice during the day.

An hon. member: They do not care about Canadians.

Mr. Milliken: Or the workers. On Wednesday we had the bill for second reading. We asked for consent to put it through all stages. That was refused. Therefore we used time allocation and got the bill through second reading. We used time allocation again to get it through the committee. It was not obstructed Wednesday night in committee.

We had it reported on Thursday and what did we do on Thursday? We asked for unanimous consent to pass the bill on Thursday. It was refused. We asked for consent to pass it on Friday. It was refused. We asked again on Friday.

Fortunately because the members of the Bloc were not here in sufficient numbers we fortunately got the right to sit on Saturday and Sunday to deal with it more quickly than we otherwise would but that was a stroke of luck on our part.

I am sure it was not deliberate on their part that there were only 13 here when there should have been 25. I am glad that there were not 25 here.

Here we are on Saturday debating report stage. When we have completed the votes on report stage and dealt with all the amendments, the 42 amendments the members of the Bloc Quebecois have moved, we will have the opportunity to proceed with third reading.

[*Translation*]

I urge members opposite to consider the situation of all those who would rather be working today. It is important for them that we vote at third reading as soon as possible and I hope that members opposite will give their consent today, so that we can vote at third reading this afternoon.

[*English*]

The hon. member for Saint–Hyacinthe—Bagot has the best interests of the workers of Quebec and Canada at heart. If he does and if he considers their plight, he knows in his heart of hearts the best thing he could do today is vote to put them back to work; not just the people who are on strike but those who have been laid off as a result of the strike because that is the most unfair part of all.

Through no fault of their own other Canadians, thousands of them, are losing money because of the rail strike. It should be ended. It should have been ended several days ago.

• (1245)

The Bloc Quebecois through its obstruction and delay has denied these Canadians the right to earn a living. It is unfair. I invite it to join us today to end this strike.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Madam Speaker, before giving the speech I had prepared, I would like to comment on some of the allegations made by the hon. members opposite.

Someone said a moment ago that the new Minister of Labour is to be commended for taking dynamic and aggressive action immediately upon assuming her duties. Indeed, we could not help but notice ourselves that the big companies and the rich and the powerful did not take long to recognize that she was on their side. In no time they were putting in their order: "Please, Madam Minister, bring in special legislation because we are unable to reach a compromise through the civilized and democratic negotiation process that normally characterizes labour relation".

So, the new Minister of Labour is perfectly comfortable with her new Liberal persona. She has adopted the Liberal philosophy that says that when one cannot get something according to democratic means, one imposes it. That is exactly what the Liberals did with the patriation of the constitution. It is nothing new.

Hence the comment by a member opposite that the support the Bloc gives workers proves that a sovereign Quebec would be governed by unions. A sovereign Quebec would be governed by ordinary citizens. And if there are only ordinary people in the unions, well it is just too bad for the opposition because it is ordinary people who, democratically, will govern Quebec.

We are being accused of defending unions because, they say, unions are separatist. But who are the Liberals defending? Why do they support so many large companies in this dispute? Why have they asked these companies not to go too far in the negotiations? They told them not to worry, that if they did not succeed, the government would pass a bill.

That is what you get from being a friend of the Liberals. Maybe some of these large companies make hefty contributions to the Liberal Party election fund.

The Minister of Labour has named many companies. She gave a list of companies that are threatening to close down because of this labour dispute. But did we hear her mention one worker, any one of the 30,000 workers who are affected too by this strike?

Mr. Boudria said earlier—

The Acting Speaker (Mrs. Maheu): I must remind the hon. member that he should refer to a member using the name of the constituency.

Mr. Laurin: I am sorry, Madam Speaker. The hon. member for Glengarry—Prescott—Russell said earlier that one of his constituents called him. It is another one, not the one mentioned earlier, he was not the right one. So, another of his constituents who is on strike complained that he could hardly live with a $3 a day strike pay. Let him find comfort in the fact that the legislation the government is trying to pass and that he will have to live with for at least two years is not worth a nickel.

The government's contentions are hogwash. We have to put an end to that strike, they say. We are willing to put an end to the strike, and we agree that we could have done it before. But we feel that we should not do it at all costs.

With its special legislation, the Liberal government wants to put the train back on the track as fast as possible, with no thought to the consequences. If the train, meanwhile, runs over the employees, that is too bad; so be it. The train must keep moving, no matter who suffers. In the long run, a return to work under such conditions will doom the railroad companies to several years of completely deteriorated labour relations.

We keep saying to the government that it can still reach an amicable settlement and that if it wants to resolve this conflict this afternoon, we will not object, provided that it agrees with the very humane amendments which we have proposed to solve the issue.

[*English*]

The Acting Speaker (Mrs. Maheu): It being 12:51 p.m., pursuant to an order made earlier this day and under the provisions of Standing Order 78(2), it is my duty to interrupt these proceedings and put all questions necessary to dispose of the report stage of the bill now before the House.

[*Translation*]

Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour of the motion will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed to the motion will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), the recorded division on the proposed motion stands deferred.

We shall now proceed to the second group of motions which includes Motions Nos. 4, 9, 13, 18, 23, 27, 32, 37 and 41.

Mr. Gauthier: Madam Speaker, I rise to ask for clarification. You have not put the question to the House with regard to the second group of motions. What is the procedure? We want to vote on this, we want to give our point of view. Naturally, we support Mrs. Lalonde's motion.

The Acting Speaker (Mrs. Maheu): First I read each motion in the second group, and then I put the question.

Mrs. Francine Lalonde (Mercier, BQ) moves:

Motion No. 4

That Bill C–77, in Clause 10, be amended by replacing lines 30 to 44, on page 5 and lines 1 to 5, on page 6, with the following:

"(3) The employer and the union may agree on the appointment of a person as Chairperson, but where they do not agree on a Chairperson, the Minister shall, after obtaining the agreement of the official opposition in the House of Commons, appoint as Chairperson a person whom the Minister considers to be qualified.

(4) After the employer and the union representing the bargaining unit have each appointed a person to represent them and the name of the Chairperson is known, the Minister".

Motion No. 9

That Bill C–77, in Clause 12, be amended by replacing lines 32 to 37, on page 7, with the following:

"the need to establish good labour–management relations and to that end it shall promote terms and conditions of employment that take into account the experience and knowledge of employees and the economic viability and competitiveness of a coast–to–coast rail system."

Motion No. 13

That Bill C–77 be amended by deleting Clause 16.

Motion No. 18

That Bill C–77, in Clause 32, be amended by replacing lines 22 to 41, on page 14, with the following:

"(3) The employer and the union may agree on the appointment of a person as Chairperson, but where they do not agree on a Chairperson, the Minister shall, after obtaining the agreement of the official opposition parties in the House of Commons, appoint as Chairperson a person whom the Minister considers to be qualified, and the person so appointed shall be deemed to have been appointed by the employer or the union, as the case may be.

(4) After the employer and the union representing the bargaining unit have each appointed a person to represent them and the name of the Chairperson is known, the Minister".

Motion No. 23

That Bill C–77, in Clause 34, be amended by replacing lines 25 to 30, on page 16, with the following:

"the need to establish good labour–management relations and to that end it shall promote terms and conditions of employment that take into account the experience and knowledge of employees and the economic viability and competitiveness of a coast– to–coast rail system."

Motion No. 27

That Bill C–77 be amended by deleting Clause 38.

Motion No. 32

That Bill C–77, in Clause 54, be amended by replacing lines 12 to 31, on page 23, with the following:

"(3) The employer and the union may agree on the appointment of a person as Chairperson, but where they do not agree on a Chairperson, the Minister shall, after obtaining the agreement of the official opposition in the House of Commons, appoint as Chairperson a person whom the Minister considers to be qualified, and the person so appointed shall be deemed to have been appointed by the employer or the union, as the case may be.

(4) After the employer and the union representing the bargaining unit have each appointed a person to represent them and the name of the Chairperson is known, the Minister."

Motion No. 37

That Bill C–77, in Clause 56, be amended by replacing lines 11 to 16, on page 25, with the following:

"the need to establish good labour–management relations and to that end it shall promote terms and conditions of employment that take into account the experience and knowledge of employees and the economic viability and competitiveness of a coast– to–coast rail system."

Motion No. 41

That Bill C–77 be amended by deleting Clause 60.

• (1255)

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is on Motion No. 4. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), a recorded division on Motion No. 4 stands deferred. This vote applies to Motions Nos. 18 and 32 as well.

The next question is on Motion No. 9. Is the House ready for the question?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), a recorded division on the motion stands deferred. This vote applies to Motions Nos. 23 and 37 as well.

• (1300)

The question is now on Motion No. 13. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), a recorded division on the motion is deferred. The vote will apply to Motions Nos. 27 and 41 as well.

The question is now on Motions Nos. 14, 28 and 42.

Mrs. Francine Lalonde (Mercier, BQ) moves:

Motion No. 14

That Bill C–77 be amended by deleting Clause 18.

Motion No. 28

That Bill C–77 be amended by deleting Clause 40.

Motion No. 42

That Bill C–77 be amended by deleting Clause 62.

The Acting Speaker (Mrs. Maheu): Is the House ready for the question?

Some hon. members: Question.

The Acting Speaker (Mrs. Maheu): The question is now on Motion No. 14. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 76.1(8), the recorded division on the motion stands deferred. The vote will apply to Motions Nos. 28 and 42 as well.

[*English*]

The House will now proceed to the taking of the deferred divisions at report stage of the bill now before the House.

Call in the members.

(The House divided on Motion No. 1, which was negatived on the following division:)

(Division No. 181)

YEAS

Members

Bachand
Bellehumeur
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bouchard
Bélisle
Caron
Chrétien (Frontenac)
Crête
Daviault
Debien
de Savoye
Deshaies
Duceppe
Dumas
Fillion
Gagnon (Québec)
Gauthier (Roberval)
Godin
Guay
Guimond
Jacob
Lalonde
Landry
Langlois
Laurin
Lavigne (Beauharnois—Salaberry)
Lebel
Lefebvre
Leroux (Richmond—Wolfe)
Leroux (Shefford)
Loubier
Mercier
Ménard
Nunez
Paré
Pomerleau
Rocheleau
St-Laurent
Tremblay (Rosemont)—40

NAYS

Members

Alcock
Arseneault
Assad
Assadourian
Augustine
Axworthy (Winnipeg South Centre)
Baker
Bakopanos
Barnes
Bertrand
Bethel
Bevilacqua
Bodnar
Bonin
Boudria
Brown (Oakville—Milton)
Brushett
Bryden
Bélair
Bélanger
Calder
Campbell
Catterall
Cauchon
Chan
Chrétien (Saint-Maurice)
Clancy
Cohen
Collenette
Collins
Copps
Cowling
Crawford
Culbert
DeVillers
Discepola
Duhamel
English
Finestone
Flis
Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gallaway
Gerrard
Godfrey
Gouk
Graham
Gray (Windsor West)
Grose
Guarnieri
Hanrahan
Hickey
Hoeppner
Hopkins
Ianno
Iftody
Irwin
Jordan
Keyes
Kirkby
Knutson
Kraft Sloan
Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lee
Lincoln
Loney
MacAulay
MacDonald
MacLaren
MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi
Maloney
Manley

Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
Mifflin
Minna
Murphy
Nault
O'Reilly
Patry
Phinney
Pillitteri
Reed
Richardson
Ringma
Robillard
Rompkey
Serré
Sheridan
Speaker
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Torsney
Valeri
Verran
Walker
Whelan
Young —133

Marleau
Massé
McGuire
McTeague
Milliken
Mitchell
Murray
O'Brien
Pagtakhan
Peters
Pickard (Essex—Kent)
Proud
Regan
Rideout
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Skoke
Speller
Steckle
Stinson
Telegdi
Tobin
Ur
Vanclief
Volpe
Wells
Wood

PAIRED MEMBERS

Members

Allmand
Bellemare
Brien
Canuel
Dalphond-Guiral
Easter
Payne
Picard (Drummond)
Sauvageau

Asselin
Bernier (Gaspé)
Cannis
Culbert
Dupuy
Marchand
Peric
Ringuette-Maltais
Tremblay (Rimouski—Témiscouata)

• (1325)

[*Translation*]

The Acting Speaker (Mrs. Maheu): I declare Motion No. 1 negatived.

Therefore, I declare Motions Nos. 2, 3, 5, 6, 7, 8, 10, 11, 12, 15, 16, 17, 19, 20, 21, 22, 24, 25, 26, 29, 30, 31, 33, 34, 35, 36, 38, 39, and 40 negatived.

The next question is on Motion No. 4. The vote will apply to Motions Nos. 18 and 32 as well.

[*English*]

Mr. Boudria: Madam Speaker, I wonder if you would be so kind as to seek whether or not the House is prepared to give its unanimous consent to apply the vote taken on Motion No. 1 to Motion No. 4 which is now before the House?

The Acting Speaker (Mrs. Maheu): The House has heard the suggestion. Is there unanimous consent?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): We do not have unanimous consent.

[*Translation*]

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

(*Division No. 182*)

YEAS

Members

Bachand
Bergeron
Bouchard
Caron
Crête
Debien
Deshaies
Dumas
Gagnon (Québec)
Godin
Guimond
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Lefebvre
Leroux (Shefford)
Mercier
Nunez
Pomerleau
St-Laurent

Bellehumeur
Bernier (Mégantic—Compton—Stanstead)
Bélisle
Chrétien (Frontenac)
Daviault
de Savoye
Duceppe
Fillion
Gauthier (Roberval)
Guay
Jacob
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
Ménard
Paré
Rocheleau
Tremblay (Rosemont)—40

NAYS

Members

Alcock
Assad
Augustine
Baker
Barnes
Bethel
Bodnar
Boudria
Brushett
Bélair
Calder
Catterall
Chan
Clancy
Collenette
Copps
Crawford
DeVillers
Duhamel
Finestone
Gagliano
Gallaway
Godfrey
Graham
Grose
Hanrahan
Hoeppner
Ianno
Irwin
Keyes
Knutson
Lastewka
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon

Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Bertrand
Bevilacqua
Bonin
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Cauchon
Chrétien (Saint-Maurice)
Cohen
Collins
Cowling
Culbert
Discepola
English
Flis
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Gouk
Gray (Windsor West)
Guarnieri
Hickey
Hopkins
Iftody
Jordan
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
MacLaren
Malhi
Manley
Marleau
Massé
McGuire
McTeague

Mifflin	Milliken
Minna	Mitchell
Murphy	Murray
Nault	O'Brien
O'Reilly	Pagtakhan
Patry	Peters
Phinney	Pickard (Essex—Kent)
Pillitteri	Proud
Reed	Regan
Richardson	Rideout
Ringma	Robichaud
Robillard	Rock
Rompkey	Scott (Fredericton—York—Sunbury)
Serré	Shepherd
Sheridan	Skoke
Speaker	Speller
St. Denis	Steckle
Stewart (Brant)	Stinson
Szabo	Telegdi
Thalheimer	Tobin
Torsney	Ur
Valeri	Vanclief
Verran	Volpe
Walker	Wells
Whelan	Wood
Young —133	

PAIRED MEMBERS

Members

Allmand	Asselin
Bellemare	Bernier (Gaspé)
Brien	Cannis
Canuel	Culbert
Dalphond-Guiral	Dupuy
Easter	Marchand
Payne	Peric
Picard (Drummond)	Ringuette-Maltais
Sauvageau	Tremblay (Rimouski—Témiscouata)

• (1330)

The Acting Speaker (Mrs. Maheu): I declare Motion No. 4 negatived. Therefore, I declare Motions Nos. 18 and 32 also negatived.

The next division is on Motion No. 9. The vote on this motion also applies to Motions Nos. 23 and 37.

Mr. Boudria: Madam Speaker, I think if you were to seek it, you would find unanimous consent to apply the vote taken on the preceding motion to the motion now before the House.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

[*Editor's Note: See List under Division No. 182.*]

The Acting Speaker (Mrs. Maheu): I declare Motion No. 9 negatived.

Therefore, I declare Motions Nos. 23 and 37 also negatived.

The next division is on Motion No. 13. The vote on this motion also applies to Motions Nos. 27 and 41.

• (1335)

[*English*]

Mr. Boudria: Madam Speaker, on a point of order, if you were to seek it, you would find unanimous consent to apply the vote taken on the previous motion to the motion now before the House.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 182*]

The Acting Speaker (Mrs. Maheu): I declare Motion No. 13 negatived.

I declare Motions Nos. 27 and 41 negatived.

[*Translation*]

The next vote is on Motion No. 14. The vote on this motion also applies to Motions Nos. 28 and 42.

Mr. Boudria: Madam Speaker, I think if you were to ask it, you would find there is unanimous consent to apply the vote taken on the previous motion to the motion now before this House.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

Some hon. members: Agreed.

[*Editor's Note: See list under Division No. 182.*]

The Acting Speaker (Mrs. Maheu): I declare Motion No. 14 lost.

[*English*]

I declare Motions Nos. 28 and 42 negatived.

[*Translation*]

Hon. Lucienne Robillard (Minister of Labour, Lib.) moved that the bill be concurred in at report stage.

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

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): All those in favour will please say yea.

Some hon. members: Yea.

The Acting Speaker (Mrs. Maheu): All those opposed will please say nay.

Some hon. members: Nay.

The Acting Speaker (Mrs. Maheu): In my opinion, the yeas have it.

And more than five members having risen:

The Acting Speaker (Mrs. Maheu): Call in the members.

Mr. Boudria: Madam Speaker, I think you would find there is unanimous consent to dispense with the bells and to take the vote immediately.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent to take the vote immediately?

Some hon. members: Agreed.

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

(Division No. 183)

YEAS

Members

Alcock
Assad
Augustine
Baker
Barnes
Bethel
Bodnar
Boudria
Brushett
Bélair
Calder
Catterall
Chan
Clancy
Collenette
Copps
Crawford
DeVillers
Duhamel
Finestone
Gagliano
Gallaway
Godfrey
Graham
Grose
Hanrahan
Hoeppner
Ianno
Irwin
Keyes
Knutson
Lastewka
Lee
Loney
MacDonald
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marchi
Martin (LaSalle—Émard)
McCormick
McKinnon
Mifflin
Minna
Murphy
Nault
O'Reilly
Patry
Phinney
Pillitteri
Reed
Richardson
Ringma
Robillard
Rompkey
Serré
Sheridan
Speaker
St. Denis
Stewart (Brant)
Szabo
Thalheimer
Torsney
Valeri
Verran
Walker
Whelan
Young —133

Arseneault
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Bertrand
Bevilacqua
Bonin
Brown (Oakville—Milton)
Bryden
Bélanger
Campbell
Cauchon
Chrétien (Saint-Maurice)
Cohen
Collins
Cowling
Culbert
Discepola
English
Flis
Gagnon (Bonaventure—Îles-de-la-Madeleine)
Gerrard
Gouk
Gray (Windsor West)
Guarnieri
Hickey
Hopkins
Iftody
Jordan
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
MacLaren
Malhi
Manley
Marleau
Massé
McGuire
McTeague
Milliken
Mitchell
Murray
O'Brien
Pagtakhan
Peters
Pickard (Essex—Kent)
Proud
Regan
Rideout
Robichaud
Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Skoke
Speller
Steckle
Stinson
Telegdi
Tobin
Ur
Vanclief
Volpe
Wells
Wood

NAYS

Members

Bachand
Bernier (Mégantic—Compton—Stanstead)
Bélisle
Chrétien (Frontenac)
Daviault
de Savoye
Duceppe
Fillion
Gauthier (Roberval)
Guay
Jacob
Landry
Laurin
Lebel
Leroux (Richmond—Wolfe)
Loubier
Ménard
Paré
Rocheleau
Tremblay (Rosemont)—39

Bellehumeur
Bouchard
Caron
Crête
Debien
Deshaies
Dumas
Gagnon (Québec)
Godin
Guimond
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Lefebvre
Leroux (Shefford)
Mercier
Nunez
Pomerleau
St-Laurent

PAIRED MEMBERS

Members

Allmand
Bellemare
Brien
Canuel
Dalphond-Guiral
Easter
Payne
Picard (Drummond)
Sauvageau

Asselin
Bernier (Gaspé)
Cannis
Culbert
Dupuy
Marchand
Peric
Ringuette-Maltais
Tremblay (Rimouski—Témiscouata)

● (1340)

[*English*]

The Acting Speaker (Mrs. Maheu): I declare the motion carried.

When shall the bill be read a third time? By leave now?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): At the next sitting of the House?

Mr. Milliken: Madam Speaker, millions of Canadians are waiting for this strike to end and for this bill to pass. I invite the opposition now to join us to see if we can pass the bill this afternoon. I ask for unanimous consent to proceed with third reading immediately.

The Acting Speaker (Mrs. Maheu): Is there unanimous consent?

[*Translation*]

Mr. Gauthier: Madam Speaker, in answer to remarks that were made I simply wanted to say that we have been making settlement offers since Monday and they have been turned down. The government decided that we would sit Saturday and Sunday and we will comply.

[*English*]

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, in that case, I move:

That the House do now adjourn.

The Acting Speaker (Mrs. Maheu): Is it agreed?

Some hon. members: Agreed.

(Motion agreed to.)

The Acting Speaker (Mrs. Maheu): It being 1.45 p.m., pursuant to an order made Thursday, March 23, 1995 the House stands adjourned until Sunday, March 26, 1995 at 1 p.m.

(The House adjourned at 1.45 p.m.)

HOUSE OF COMMONS

Sunday, March 26, 1995

The House met at 1 p.m.

Prayers

GOVERNMENT ORDERS

[*Translation*]

MAINTENANCE OF RAILWAY OPERATIONS ACT, 1995

Hon. Lucienne Robillard (Minister of Labour, Lib.) moved that Bill C–77, an act to provide for the maintenance of railway operations and subsidiary services, be read the third time and passed.

She said: Mr. Speaker, the current dispute in the railway sector requires firm intervention by the government to ensure the resumption or continuing, as the case may be, of railway operations and subsidiary services.

It is also important to provide a process to resolve matters remaining in dispute between the parties. The bill before the House today, the Maintenance of Railway Operations Act, 1995, orders the resumption of operations at Canadian National, Canadian Pacific and VIA Rail, and provides for establishing mediation–arbitration commissions in respect of each of the bargaining units of the three railway companies.

As hon. members are aware, negotiations in this dispute have been extremely difficult. They covered a number of complex issues including employment security, occupational flexibility, extended routes and the two–tier compensation system for train crews. Despite efforts to reach an agreement which went on for several months, the parties failed to agree on these crucial issues.

Both the unions and the employers agreed that Canada needs a viable and competitive railway system. Even the Bloc Quebecois admitted as much in its motion in amendment of section 12. The matters remaining in dispute must be resolved if the parties are to start establishing relations that will help them meet the challenges of the future.

I believe the dispute settlement process provided under this legislation will help them defend and reconcile their interests dispassionately and objectively. It did not take long for the impact of work stoppages occurring in the railway sector to be felt across the country. The disruption in railway operations has affected certain industries, which are now unable to obtain the parts and supplies they need for their operations and cannot ship their goods to destinations on domestic or the world markets.

Many businesses that depend on railway freight services are being forced to lay off workers. The economic repercussions of a prolonged work stoppage in the railway sector are very serious and cannot be tolerated for very long. The same applies to the impact on passengers who normally take VIA Rail and are now deprived of those services.

I realize that the parties have tried to settle the various disputes, but the government is faced with a situation that requires immediate and decisive intervention. Consequently, last Tuesday, I had to table the Maintenance of Railway Operations Act, 1995. This legislation consists of three parts. Part I concerns the Canadian National Railway Company; Part II concerns the Canadian Pacific system and Part III concerns VIA Rail Canada.

All three parts of this legislation shall come into force 12 hours after the bill has received royal assent. Under this legislation, the disputes will be quickly resolved, thanks to a mediation-arbitration commission that will have 70 days to carry out its mandate. The mediation-arbitration process gives the parties one last chance to reach an agreement with the help of the commission. If at this stage the parties are unable to reach an agreement, the commission will have the power to make final and binding decisions on the matters remaining in dispute.

In its work, the commission shall be guided by the need for terms and conditions of employment that are consistent with the economic viability and competitiveness of a coast–to–coast rail system in both the short and the long term, taking into account the importance of good labour–management relations. In the course of the debate on this bill, we have heard different interpretations of sections 12, 34 and 56 from the employers, the unions and the Bloc Quebecois, and I would like to clarify the legislator's intent in this respect.

The best job protection that workers can have is the certainty that their employer is competitive. In this context, it is increasingly clear with successful companies that competitiveness depends on good human resources management, which includes harmonious labour relations. We realize as well that various

internal and external factors may affect a business' competitiveness, including such things as quality of management, efficient financial management and, in the case of railways, appropriate regulations, not to mention the economic environment the business is in.

There is another factor we must not forget, however, and that is labour costs. In the present case, we want both parties to come to terms with these facts. Accordingly, the legislator must express the commissions' mandate clearly. We are not requiring the commissions to achieve specific results in terms of job security clauses or any other working condition of the railway workers.

The unions and the companies will have ample time to tell the commissions what working conditions they consider consistent with economic viability and good union–management relations. No specific results must be achieved. We have simply indicated the factors the commissions are to take into consideration in their deliberations.

• (1310)

Moreover, it is only if the parties fail to reach an agreement on these matters during the mediation period, that the commissions will have to reach a final decision. All in all, this is a fair approach to resolving the disputes between the parties.

I would like it to be perfectly clear that the government remains firmly convinced that collective bargaining is a far better way to resolve disputes than emergency legislation. It is significant that nothing in the legislation prevents the parties from modifying any provision in the collective agreements, new or changed, except for the provision on the term of these agreements.

Furthermore, should the parties reach an interim agreement or concur on the approach to resolving the matters in dispute, the establishment of the mediation–arbitration commission could be deferred.

The facts speak for themselves. Considerable effort has gone into resolving the various disputes between the three railways and the various unions, but to no avail. The bill before us gives the parties one final chance to agree through mediation, before the outstanding issues are submitted to arbitration.

Since the start of negotiations, the parties have indicated that they were opposed to legislation to put an end to the dispute, and I agreed with them on this point. Unfortunately, they have not managed to reach an agreement and, as a result, have caused serious economic problems in the country by initiating work stoppages. As the government, we took the necessary steps and tabled the Maintenance of Railway Operations Act, 1995.

I therefore ask my hon. colleagues to support this measure so that it may be adopted.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, regarding this issue, the Bloc deplores the government's simplistic position and its extravagant if not biased speeches.

The government has always stressed the negative repercussions of the strike and its real economic impact, of which we all are aware, and really went overboard on the issue. It kept on repeating that factories were closing everywhere in Canada, coast to coast, particularly in Quebec, since the Bloc Quebecois was the government's main opponent in the House on the issue. Very few economic sectors in Quebec were spared the threat of imminent closures, yet nothing of the sort actually happened.

The government tried to terrorize and brainwash people by exaggerating the economic consequences. I do not want to minimize the consequences, but I think that a government dealing with such an extensive labour dispute, like the one currently affecting the country, should be more reserved, impartial and objective. The government should not upset people; it should reassure them while trying to find a solution. The government did the opposite. We were witness to an incredible demagogic offensive, we were bombarded with a slew of disastrous predictions, which did not turn out to be accurate.

We must nevertheless acknowledge that considerable economic interests and jobs are at stake, not only in the sector directly affected, but also in the sectors spinning off from it.

We are not oblivious to the economic impact of the strike. We proved this by proposing to the government, as early as last Monday, a classic solution of the sort normally used to settle this kind of dispute.

With such an important issue, it is not only necessary to look at the economic impact, but also to be nuanced. So, this is an example of the kind of issue debated in the Parliament of Canada where we need to examine all facets, if we are to debate it wisely and carefully, in the interest of all.

• (1315)

One of them is also, of course, that there are important issues and interests at stake that immediately call into question Canadian democracy, Quebec democracy and parliamentary democracy, and this has been forgotten in the debate.

What we in the Bloc Quebecois wanted to do was to situate the dispute, and the resolution mechanism, in the perspective of a balance to be achieved between the right to negotiate and peace on the labour front, for all of this was at stake. It is not true that because a strike has broken out that an illegal act has been committed. It is not true that because a strike has broken out that it is necessary to push the panic button, to bring out the big guns.

And it is not true that because a strike has broken out that the opposition can be prevented from speaking about it in this House. Events have taken a very strange turn this week.

The Bloc has been vilified for wanting to recognize rights that exist in law, in legislation passed not by a foreign Parliament, but by the Parliament of Canada, legislation that provides for the right to strike, that recognizes the existence in Canada of this fundamental democratic right.

Some hon. members: Hear, hear.

Mr. Bouchard: In a democracy such as ours, in a country in which we have often been faced with labour disputes and in which we have acquired some experience in resolving this sort of conflict in a civilized and competent manner, it is vital that we take this opportunity to examine the need to maintain some sort of balance.

Mr. Speaker, I believe I am disturbing the people across the way who are speaking.

[*English*]

The Speaker: Order. Colleagues, this debate is so important that we are sitting on a Sunday. It is a very historic sitting. I would ask all hon. members to have the courtesy to please hear out the person who has the floor at this time and all other members who will be speaking in this debate.

[*Translation*]

Mr. Bouchard: Mr. Speaker, we have a system of law. We live in a society governed by laws. We have a parliamentary institution, and a government, charged with enforcing existing legislation. The entire Canadian legal system as it relates to labour relations is based on the freedom to negotiate, on the objective of ensuring peace between the parties to an industrial dispute and the harmonious operation of the factories and workplaces once the dispute has been resolved. I believe that the freedom to negotiate is a key element in all of this.

The freedom to negotiate is dependent on the balance between two powers: the very important economic power wielded by the employer, which is countered by the union with its own brand of power, given to it under law in the form of the right to strike. It is a legislated right.

One would think that, generally and normally, when both parties exert pressure, when they act in good faith without anyone trying to disrupt the process, when they are willing to make concessions, with common sense prevailing, an agreement will eventually be reached. The legal system and government services are designed to help reach an agreement because everyone understands that the best and only effective solution is a negotiated solution.

What happened in this case? They may well criticize the Bloc Quebecois for being the only party in this House which defends the legal system of free collective bargaining. Well and good, but they forget that the main culprit in this dispute is the government, in particular the Minister of Labour, who turned into an employer in this matter.

They will say that, the opposition being the opposition, it will attack the government and try to bend the truth a little. It is common practice in politics.

• (1320)

Instead, let us read the report and conclusions of an impartial witness, conciliation commissioner Hope, whose job was to observe, minute by minute, the progress of the negotiations.

This report contains devastating comments on the behaviour of the government and the Minister of Transport. In this matter, the government, far from favouring settlement and protecting against any external disruptions the progress of the usual settlement mechanisms whose results are based on free collective bargaining, sought to disrupt and destroy this balance by siding with the employer. I would even say that it became an employer. The government behaved like an employer in this matter. I would go so far as to say that it prevented the official employers from negotiating.

Let us suppose for a moment that we are all CN presidents—we would be happy in some respects, of course, as this would be a remarkable promotion—and that our representatives, reporting on the discussions, tell us that we ought to make concessions on our demands to drop non–monetary clauses, that if we make no concessions, the resulting strike would hurt us and that the public may not appreciate our behaviour during the negotiations, so that we must make concessions.

Normally in such conditions, an employer makes concessions and uses some common sense to reach a compromise with the union, which is also under pressure. But why would an employer negotiate when, like the president of the CN in this case, he has the government's assurance that it supports his position, as denounced in the Hope report, when he knows that the government is 100 per cent behind him and that, in the event of a labour dispute, the government will take out the bludgeon to quash immediately the right to strike and pass special legislation providing for a third party to impose working conditions? There is no motivation to do so.

In fact, the employers did not negotiate in this case. They did not negotiate because they relied on the complicity, I would say the collusion, of the Minister of Transport, expecting him to make sure that back to work legislation would be tabled in this House within hours of the start of a strike or lockout.

So, what was bound to happen did: the employers put on the table major clawback demands and, according to Mr. Hope, refused to negotiate. They even refused to consider the possibility that their demands be discussed or revised in any way, or that reservations be made about them. They did not even take part in

discussions on their demands. It was a take it or leave it proposition.

So, of course, this lead to a conflict. Barely 12 hours into this conflict—and this illustrates what I just said—the Minister of Labour, who is new to the issue, sets in motion a process to break the strike through special legislation. The Minister of Labour is therefore a major player in this issue. We must recognize however that there was not much she could do because, as the saying goes, the scene was set. All she now had to do was follow the script. The scene was set thanks to the great producing abilities of the Minister of Transport.

What could she do except become the employer herself and ensure that the strike could be quashed immediately, while at the same time setting the working conditions? I think that a Minister of Labour worthy of the name would have borne in mind that she or he has a job to do and is not accountable to the Minister of Finance—who wants to privatize CN—but is responsible for social peace and to the parties. Her role involved trust and confidence.

The Minister of Labour should tell her colleague for transport that, while he had been able to reach the agreements he wanted with his friends, the employers, she, as Minister of Labour, could not take sides, that she was responsible for social justice and fairness. What should she have done then?

• (1325)

I am not saying that the government should tolerate the negative effects of a strike indefinitely. It would have been appropriate to table this special legislation on Monday and get the parties back to work. It is at this level that the Minister of Labour could have played an important part in cabinet. She could have enlightened her cabinet colleagues and told them: "Yes, we will get these people back to work to avoid the negative effects of the strike, but we will also ensure that the parties can negotiate without interference, while it is still time to do so. For the first time in this conflict, we will put in place conditions such that the parties involved can negotiate in good faith and find a solution to their problems. We will force the employer to negotiate by not giving it the assurance that the government will impose back–to–work legislation and thus serve its interests".

The Minister of Labour knew what to do very well. She was very familiar with the usual solution in such a conflict. This is something that people involved in labour relations learn quickly. The minister knew what to do: go to mediation. She knew it so well that she did so in another conflict, in Montreal, which had persisted for 25 months. In this case, it has been 18 months, but in Montreal, it had been 25 months. So what did she do? Following the wise counsel of her senior officials, and assuming her responsibility as Minister of Labour, she decided that there would be mediation in the Port of Montreal conflict, to force the parties to conduct true negotiations under appropriate conditions, so that a negotiated solution might be reached. The process proved to be successful in the days that followed. Considering that the solution is known and that it gave very positive results in Montreal, why does the Minister of Labour decide to go all out in the case of the railway work stoppage and pass a piece of legislation imposing working conditions?

I want to be clear. We are not opposed to back–to–work legislation. We believe it is legitimate to resort to such legislation and we would have agreed to do so as early as tomorrow, so that by Monday evening the act would have been passed in this House. However, we do not accept the fact that this situation be used as a smoke screen. After all, what do you think is the goal of the government in this issue?

Some hon. members: Hear. Hear.

Mr. Bouchard: The comments I just made raise a question. Those who may be listening to us on this lovely Sunday afternoon may ask themselves: What did he just say? Why would the government do such a thing? Why would a decent and responsible government do that? Why would a government team up with the employers to distort the conflict resolution process? This is a good question, but we have the answer.

The answer was provided by the Minister of Transports. The Minister of Transport himself told us in this House last week, I think it was on Thursday, but I could be wrong, any way he told us on Wednesday or Thursday in answer to a question put to him: "Yes, but the truth is that our goal is to get rid of some provisions in the collective agreements". They do not like these collective agreements, so they are going to change them, to do a hatchet job, to scrap them.

Once this is done, they will be able to soothe the employers and sell the CN. They will sell the CN and make a lot of money out of it, because they will do so at the expense of the workers and of their rights and entitlements. They will shave down the collective agreements and then hand a very nice package to the private companies interested in buying the CN. This is the goal sought by the minister. He has said so in this House. We thought that was what he was trying to achieve, in fact, we were quite sure of it, but now he has admitted it.

An hon. member: Shame!

Mr. Bouchard: I think the government was swayed by the interests of the employers in this issue. You can tell just by the way it has handled it, if only at the parliamentary level. Will people not find it strange how eager the government was to muzzle the opposition, to use tactics which had never been used before in this House? For the first time ever, a gag was put on committee proceedings. That is really something. Was there an emergency? Was there an imminent political crisis? Was there a

state of war? No. But the government was eager to fulfil its commitments to its friends in the railway companies.

• (1330)

The government wanted to do a job on the CN collective agreements, in order to be able to sell the company for less. This is the goal it was aiming for and that is why, throughout last week, the government did things I really did not like. One of our hon. colleagues, the government whip, even stated yesterday that the Bloc was costing the taxpayers $17,000 a hour, all for nothing. We, in the official opposition, were blamed for having these sittings. We, in the official opposition, in a democracy, were blamed for making Parliament work. Here was someone complaining because we have a Parliament. With this kind of arguments, we will soon be without a Parliament at all, we will just have to close shop.

Some hon. members: Hear, hear.

Mr. Bouchard: What are we debating here this weekend? I understand that the government is very unhappy to be working on Saturday and Sunday—maybe not as unhappy as NDP members, our allies in the defence of social causes, who have not shown up at all during these two days—but are we not dealing with some important issues? We did not come here this weekend to talk about trivial things. We came here to talk about Canadian democracy. We came here to try and find a way to reconcile two fundamental rights, namely the right of citizens to have access to public services, in this case rail transport, and the right of unions and workers to negotiate their own working conditions instead of having these conditions imposed on them by the government or by an arbitration commission.

Let me tell you, Mr. Speaker, that the Bloc Quebecois is proud of the way it has defended the rights of workers in this dispute. Even if we were the last party left in this House to defend the rights of workers, and it seems to be the case, we would be proud to do so. It is a tribute to Canadian democracy and I think that we should be recognized for doing this job for and in the place of the Liberals who have abandoned their traditional creed and who, just like the New Democrats, frightened by the right wing wind that has been blowing in this House since the arrival of the Reform Party, have caved in to the pressure in a situation which, normally, would not have warranted this course of action.

All the Liberals who are here have made speeches in the House in the past to defend the very same viewpoint that we are defending today. I am sure that they feel bad and that they regret giving in to the pressure from the Reform Party because soon there will be only one party in Canada apart from the Bloc, and it will be the Reform Party and what it stands for.

Some hon. members: Hear, hear.

Mr. Bouchard: Of course, there will be consequences. The government may have conducted fifteen polls over the last week—a government has money to conduct polls—and these polls may have shown that people in English Canada support the Liberals' position, but it has to be careful not to be shortsighted. This situation will have far–reaching effects and the government, having chosen to have working conditions imposed by a third party, will find itself in an awkward situation when it is all over.

I wonder how the government will be able to sell CN if the labour relations climate in that company is what it could become after this move by the government. I hope not, but the climate may not be very good. When employees are legislated back to work and, especially, when they know that their terms and conditions of employment will be determined by a third party, that nothing will be up to them to decide and that vested rights will be dropped, the climate may not be very conducive to efficient privatization.

Furthermore, this government feels it made a tremendous concession by promising, and in fact this is in the bill, to have judges chair the arbitration commissions. I have every respect for judges. I am a lawyer, and I know we have the best judges anyone could wish. The integrity of our judicial system is beyond question, and I am glad to have an opportunity to say this, but because of that integrity, our judges will act according to the mandate they are given.

What will that mandate be? If we look at clause 12, we see that the arbitrators will have an extremely narrow mandate to work with. The arbitrators have no flexibility because they will have to make their decisions strictly on the basis of economic viability and competitiveness in the short and longer term. This means, and I refer to the people who accept these appointments, that their hands are tied, and I know several people who will refuse to sit on these commissions. There are decent people who will refuse to sit under those conditions because they do not have enough latitude to hand down a fair judgment. I am not saying that those who do accept are any less decent, and I have every respect for them, but they will be working within a very restrictive framework where they will have no flexibility and will have to more or less accept the employers' arguments, one by one.

• (1335)

They are going to change the role of the arbitrators as well, or at least try, by turning them into the employers' allies. The Minister of Transport probably had something to do with that as well.

I wish the Minister of Labour, in her initial performance as minister, had been more impervious to the power–hungry demands of the Department of Transport's appetite for power.

We can only hope that everything will turn out well. I hope so. But the trouble with this debate is that the government tried to suppress it. The government tried to suppress the debate. This government does not like debate. It does not like dissenting opinions. This government will only give in to its own impulses.

In concluding, we will vote against this legislation, of course, and we hope that in the future, the Department of Labour will take a more objective stand and will act more responsibly with respect to its obligations to the parties, both employees and employers, because there are not only employers, there are also employees.

Some hon. members: Hear, hear.

[*English*]

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, we are sitting here today on a Sunday, I am told, for the first time in the history of Parliament at a cost of $25,000 an hour.

Why are we here? We are here because of very vindictive, narrow minded, malicious partisan politics brought on us by members of the Bloc Quebecois. They have done it for two reasons.

They have done it, and it seems appropriate, to try to get their separatist movement back on the tracks. It seems they do not care what else they derail in the process of doing it. Also they have done it to hit the Liberal Minister of Labour in her home area of the Montreal docks. This is the kind of vindictive partisan politics that makes this place something less than the public has a right to expect. That is the reason we are here this weekend.

The reason we are here at all, however, is that the Liberal government did not act as quickly on the matter as it could and did not act long before it happened to prevent it from happening in the first place.

The reason that we come to Parliament is twofold. First, it is to bring solutions for new problems such as the drunk defence. It was something that was not anticipated but it came about and requires legislation to repair it. Second, we come here to provide solutions to all problems brought forward by the parties and people of the past, problems such as the budget.

We try to find permanent solutions to different problems, not stop gap ones. It does little good to sit in Parliament and come up with a solution that will have to be repeated year after year. The solution to the transportation problem has to be a permanent one. The Liberals have failed to do it in the past and their current legislation fails to address the permanent need for a solution as well.

Transportation strikes are not new. Turning to recent history the Vancouver port was out in 1994 and back to work legislation was brought in. What was wrong with the legislation? There were two things wrong. First, as in this case it took too long to come forward. There was a lot of economic pain and suffering by people far beyond the port of Vancouver. We will never recover from some of that damage. Second, the Liberals brought in something relatively new by way of settlement, final settlement offer legislation.

• (1340)

That is something I favour but it was wrong in the way they did it in that specific case, the reason being that the two parties had bargained on the basis of an old system. When they were given the new system they were not given the opportunity to go back to the table to try to resolve the problem using the benefits of the new type of settlement. The concept was good but the method in which it was done was not as good as it could have been.

Then there was another Vancouver strike in 1995. That time it took only two days for the Liberals to act to get the port, which is very crucial to the entire Canadian transportation structure, back to work.

What is interesting is that we have the Bloc Quebecois sitting down the way, these brand new saviours of the labour movement in Canada. These were identical situations. In neither case did we hear a single word from the Bloc Quebecois. I reject its rationale for being the great voice of labour this time. It is nothing but petty partisan politics.

Now we have a rail strike affecting all of Canada. The Liberal legislation that is coming forward does not resolve the short term wrong because of the method of arbitration. The Liberals have gone back on the solution they used in Vancouver in 1994 and have gone to straight binding arbitration. Hopefully the two parties will be able to get together during the mediation period and resolve some of the differences. However the most outstanding issue, that of job security, is unlikely to be resolved through regular bargaining across the table.

When it comes time to move to the arbitration settlement we have an arbitration council set up with one representative of the union, one representative of the company which is owned by the government, and one representative selected by the government. Is there anyone in the House who has any doubt about how the arbitration will come out?

The whole way in which labour negotiations are carried out is unbalanced and unfair in our modern society. If the employees of a whole chain of grocery stores in the Ottawa area including all the surrounding communities went out on strike or were locked out for some reason, it would be primarily between the employees and the owners of the store. People would be inconvenienced but they have alternatives. Life would go on. The general economy would not be hurt.

However it is absolutely unthinkable that we would have the police standing by watching someone being mugged or raped because the police were out on strike. It is equally unthinkable that we would have a fireman standing by on a sidewalk

watching a house burn, perhaps with a small child inside, because the firemen were out on strike.

For 22 years I was an air traffic controller. During that time there were two strikes, both of very short duration. In both cases the controllers were legislated back to work. In both cases when the controllers were on strike they did not picket because they recognized that a relative handful of people had too catastrophic an effect on the entire air transportation industry and it would be unfair and unrealistic to put up a picket line.

It ended up that air traffic controllers to this day retain the right to strike but each and every controller is designated in the event of a strike to provide minimum safety services. It has been decreed and declared in court that those minimum services are everything they do. The reality is that they can go on strike but they still report to work, the only difference being that their contract is null and void. They are in great jeopardy of having something legislated that bears no resemblance to their old contract.

We penalize certain groups of people in society because they are important. We have to come up with some kind of alternative so that we can fairly deal with people who are important. If we can come up with something that is fair and equitable, why should we not look at broadening the type of system it replaces?

Long ago in the history of mankind people lived in caves. They had no fire for a long period of time. They got their food by going out with clubs and hunting down wild animals. We have progressed from that. We progressed into the Middle Ages when there was slavery and continuous ongoing wars. We evolved further and developed North America. Still there were very tough times. There were winters when many peopled starved to death. There were diseases for which there was no treatment. There was a lack of help for people in any situation. The changes that have taken place are evolutionary. This is the way we progressed and evolved into the society we have now.

• (1345)

Unions started in the 19th century because companies were oppressive. The managers and owners of certain big industries were absolutely brutal in their unfair treatment of workers. That was the origin of unions. Then we got into the process we have today, this concept of negotiation and strike when agreements could not be reached.

That started in the 19th century. As we approach the 21st century is it not realistic to think there should be some evolution in the process of trade unionism and in labour/management negotiations? It is time for evolution to take place in that area as well.

Most collective bargaining ends up in a settlement. I have talked to many unions and they believe this happens because they always have a hammer, the option of a strike. We must reinvent the hammer. The new hammer, unless someone has a better idea, which I have not heard anyone bring forward, is final offer settlement arbitration; the very hammer the government used for the legislation to settle the Vancouver port strike in 1994.

When given the proper time to be dealt with, this tends to settle most if not all of the differences between the two parties. It then brings the parties as close as possible on all the remaining issues so that each party can get into the most reasonable position so that position will be selected during the final arbitration.

The government needs to carefully design legislation to deal with a new form of labour settlement. The loss we have experienced in this strike goes beyond the transportation industry and beyond the strike itself. There are many types of transportation that will be set up now that will shortcut our ports. They will get goods as quickly as possible across the border into the United States and be sent from there. There are also many ships that have now found that instead of dealing on the east coast of Canada they can deal more reliably on the east coast of the United States.

Rail unions and their companies, other companies, workers, farmers and Canadians have paid a very heavy price for this strike. Let it not be in vain.

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, I am pleased to rise today to continue the debate on Bill C–77, the Maintenance of Railway Operations Act, 1995, in order to ensure the country is not deprived of vital rail services essential to the economic well–being of Canadians.

My riding of Windsor—St. Clair is the beginning of the Quebec–Windsor corridor, or the end depending which way you look at it. In Windsor we think it is the beginning.

Thursday night and Friday morning I was in Windsor. I went to the VIA rail station, to the CN yards and to the CP yards. I spoke to the people on the line. I spoke to the people who have been telephoning my office and who have been asking to return to work.

The Ford plant in Windsor was slowed down. The Ford plant in Talbotville just east of my riding was closed, all because of the rail strike. People in Ontario and elsewhere in Canada are out of work. People in Quebec are out of work. These people are out of work and the Leader of the Opposition stood here today and told us that suddenly he is filled with the milk of human kindness for collective bargaining.

Where was he on December 15, 1989? Where was he when the cabinet and Parliament enacted the Government Services Re-

sumption Act? The parties were the Treasury Board and the Public Service Alliance of Canada. The Leader of the Opposition was in the cabinet.

• (1350)

There were two conciliation boards established and there were enforcement procedures, binding arbitration on the public sector. Where was the Leader of the Opposition?

[*Translation*]

The Leader of the Opposition was here. He voted yes to back to work legislation providing arbitration for public sector employees.

[*English*]

He was here. He voted yes and he put the public servants back to work. Where is he today? He is voting no. I ask why. All Canadians should ask why. The people of Quebec should ask why.

Could it be that he is trying to curry favour with the unions in Quebec? Could it be that he thinks they are so foolish, so naive, so stupid they will vote for separation because he turned his back on what he voted on in 1989? Could that be? I think not.

The people of Quebec who are out of work want to go back to work. The people in Windsor who are out of work want to go back to work. The people of Canada want to go back to work.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, I am pleased to be able to speak for a few minutes on this very important matter. I want to say that Canada needs new labour relations and it needs a government capable of imposing leadership in this regard. Leadership in this regard means that it must establish that employers have rights, and so they do, but that employers must respect the rights of their employees.

In Quebec, we can say that we entered a new era of labour relations some ten years ago. This happened because we went through a major crisis and because employers and employees realized that they needed each other and that each had to respect the other so they could come to terms with the new economy.

The federal government could have shown the way today in this time of crisis, because this transformation in the economy is a time of crisis. It is showing the way backwards, back to a time before labour laws empowered workers to counterbalance this extremely powerful economic force ever so slightly.

We are entering an era where the economy seems to be the sole force. Only states, governments and parties would seem to be able to stop the relentless march of the force to globalize the economy that is sweeping everything in its path.

This is why we consider it so important right now for the government, for the government of this country we live in, to assume its responsibilities and affirm that there is more than just the economy. Yes, the economy is important, but people too are important and respect for people is important. It is true today for the unions, but tomorrow it will be true for individuals, who are not entitled to unionize or have no opportunity to do so; they too will be swept aside by the relentless advance of this force to globalize the economy.

People will have to stand up and let it be known that there is more than just the economy. The economy is important, but other things are important too.

The Minister of Labour had the opportunity to show that she considered the need for railways to be viable and competitive.

• (1355)

But, at the same time, she could have given the judge the mandate of looking at what the workers had gained over the years and of trying to reach a balance, so that when the workers returned to work, when they started to look to their future, they would envision co–operation between them and management.

Instead, she gave one mandate: short and long term viability and competitiveness, while keeping good labour–management relations in mind. Anyone with any knowledge whatsoever of labour relations knows that giving such a mandate to a judge, who has the last say, constitutes a major change of course.

I am sad to see that, instead of giving workers a minimum guarantee in one of her first laws, the Minister of Labour chose to give in to the government's commercial and financial demands.

Some hon. members: Hear, hear.

Mrs. Lalonde: It is regrettable and deplorable. I think that Quebecers will also remember this when they have to make important choices regarding their future. They will remember that the woman the government chose to lead the referendum fight was forced to use strong–arm tactics, was put in a situation where she could not even choose to be impartial, which was what we expected her to be.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I have a few comments to make, of course, regarding an event in ancient history, December 14, 1989. Let us go way back when, back to an era where the hon. member for Lac–Saint–Jean championed different causes than those he defends today.

On December 14, 1989, this House adopted Bill C–149, bringing public servants back to work.

An hon. member: Who did this?

Mr. Boudria: A Conservative government. Just look at what was forced on recalcitrant workers at the time: a fine of $500 to

$1,000 per day for each worker; $10,000 to $50,000 per day for union representatives; $50,000 to $100,000 per day for union bosses.

Would you like to know which parliamentarians voted for such draconian measures way back then? Here is the list of those who said yes to such a bill. The hon. member opposite knows all about voting yes. I will read off a few names: Atkinson, Beatty, Blackburn, Bosley, whoops! Bouchard, Lac–Saint–Jean. Just look what I discovered.

• (1400)

The Speaker: The hon. chief whip for the government has only a few seconds left to conclude his remarks, after which we will allow the hon. member for Mercier to reply.

Mr. Boudria: Mr. Speaker, I had almost forgotten who exactly was responsible for imposing arbitration on public servants, with the same type of bill as this one. Who am I talking about? The Conservative members sitting at the time. And as I said a moment ago, the hon. member for Lac–Saint–Jean, in an earlier incarnation as a Conservative, also voted at that time in favour of similar measures.

I would ask the member opposite what brought about this sudden conversion of the member for Lac–Saint–Jean. Perhaps she can explain to us the virtue by which the member for Lac–Saint–Jean and his colleagues are now possessed, but by which it seems they were not troubled on December 14, 1989?

Mrs. Lalonde: Mr. Speaker, I believe that at that time the hon. members opposite had voted against this measure. I also believe that, when they were elected, they gave not the slightest indication that if this sort of situation arose this is what they would do.

As for the reasons behind the evolution of the Leader of the Opposition, I can tell you that I know, and he has said so himself, that he has evolved in many areas, and that he has no problem defending himself.

And I know that those members who are now laughing promised not to do what they are doing. And they are supposed to be "liberals".

Some hon. members: Hear, hear.

[*English*]

The Speaker: In keeping with the letter and spirit of the law, the hon. member has approximately 90 seconds. The hon. member for Lethbridge.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I would like to state the case in one question for the hon. member for Mercier.

We are discussing back to work legislation for the purpose of protecting a third party which is being injured, the exporters, the shippers. What has happened in this House is that the Bloc Quebecois has attempted to move the discussion into the future of collective bargaining. No one is talking about that. That is not the purpose of this debate.

We are not saying it should be done away with. All the Reform Party has said and what we are saying in this debate is that a third party is being injured. The Leader of the Official Opposition did not mention and was not even concerned about the economy or the exporters and farmers, the people who are being hurt. He was not one bit concerned.

It is time for the Bloc Quebecois members to admit whether they are concerned in the least about the third party we are talking about here, the people who are being injured, and Canada's broad economy. They are being injured by this delay, this nonsense and politics which are going on by the Bloc Quebecois.

[*Translation*]

Mrs. Lalonde: Mr. Speaker, I have two things to say. The first is that in life as in labour relations everyone finds himself at one time or another in the role of third party. Let me tell you a story.

One day I picked up a worker who was furious because the subway was not running outside peak hours, because in Quebec we have essential services during a strike. This health worker said to me: "I hope this is over soon. When we go on strike, people want to see us back at work as quickly as possible". We are always the third party in somebody's eyes. It is important that we remember this when it comes to labour relations. That is my first reply.

My second is that there should be an anti–strikebreaking law in Canada because 75 per cent of workers in other Canadian provinces are covered by one.

And thirdly—

[*English*]

If the Canadian economy cannot afford the Canada Labour Code, then there is a problem. The government should say so and do something about it.

The Speaker: It being 2.03 p.m., pursuant to the order made Saturday, March 25, 1995, it is my duty to interrupt the proceedings and put all questions necessary to dispose of the third reading stage of the bill now before the House.

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

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

The Speaker: Call in the members.

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

(Division No. 184)

YEAS

Members

Alcock	Allmand
Arseneault	Assadourian
Augustine	Axworthy (Winnipeg South Centre)
Baker	Barnes
Beaumier	Bertrand
Bethel	Bevilacqua
Bonin	Boudria
Brown (Oakville—Milton)	Brushett
Bryden	Bélair
Bélanger	Calder
Campbell	Catterall
Chan	Chrétien (Saint-Maurice)
Clancy	Cohen
Collenette	Collins
Copps	Cowling
Crawford	Culbert
DeVillers	Discepola
Dromisky	Duhamel
Easter	English
Flis	Gagliano
Gagnon (Bonaventure—Îles-de-la-Madeleine)	Gallaway
Gerrard	Godfrey
Gouk	Graham
Gray (Windsor West)	Grose
Guarnieri	Hanrahan
Hart	Hickey
Hoeppner	Hopkins
Hubbard	Ianno
Iftody	Irwin
Jordan	Keyes
Kirkby	Knutson
Kraft Sloan	Lastewka
LeBlanc (Cape/Cap-Breton Highlands—Canso)	Lee
Lincoln	Loney
MacAulay	MacDonald
MacLaren	MacLellan (Cape/Cap-Breton—The Sydneys)
Malhi	Maloney
Manley	Marchi
Marleau	Martin (LaSalle—Émard)
Massé	McClelland (Edmonton Southwest)
McCormick	McGuire
McKinnon	McTeague
Mifflin	Milliken
Mills (Broadview—Greenwood)	Minna
Mitchell	Murphy
Murray	Nault
O'Brien	O'Reilly
Ouellet	Pagtakhan
Payne	Penson
Phinney	Pickard (Essex—Kent)
Pillitteri	Proud
Reed	Richardson
Rideout	Ringma
Robichaud	Robillard
Rock	Rompkey
Schmidt	Scott (Fredericton—York—Sunbury)
Shepherd	Sheridan
Skoke	Speaker
Speller	St. Denis
Steckle	Stewart (Brant)
Stinson	Strahl
Szabo	Telegdi
Terrana	Thalheimer
Thompson	Torsney
Ur	Valeri
Vanclief	Verran
Volpe	Walker
Wells	Whelan
Young —137	

NAYS

Members

Asselin	Bachand
Bellehumeur	Bouchard
Bélisle	Caron
Chrétien (Frontenac)	Crête
Daviault	Debien
de Savoye	Dubé
Duceppe	Dumas
Fillion	Gagnon (Québec)
Gauthier (Roberval)	Godin
Guay	Guimond
Jacob	Lalonde
Landry	Langlois
Laurin	Lavigne (Beauharnois—Salaberry)
Lebel	Lefebvre
Leroux (Shefford)	Loubier
Mercier	Ménard
Nunez	Paré
Picard (Drummond)	Pomerleau
Rocheleau	St-Laurent
Tremblay (Rimouski—Témiscouata)—39	

PAIRED MEMBERS

Anderson	Bellemare
Bernier (Gaspé)	Bernier (Mégantic—Compton—Stanstead)
Brien	Canuel
Chamberlain	Dalphond-Guiral
Deshaies	Gaffney
Lavigne (Verdun—Saint-Paul)	Marchand
Peric	Peterson
Sauvageau	Zed

● (1425)

The Speaker: I declare the motion carried.

(Bill read the third time and passed.)

Mr. Milliken: Mr. Speaker, a point of order. I wonder if you might seek consent that we suspend the sitting of the House now until the royal assent, which we anticipate later this day, on the understanding that the House would reconvene only for the purpose of attending for the royal assent. The House would adjourn immediately thereafter until tomorrow.

[*Translation*]

Mr. Gauthier: Mr. Speaker, before giving consent, I would like to speak to the motion, as we are allowed to do at this stage on motions such as this one.

● (1430)

The Speaker: With unanimous consent, we can do anything we please in this House. Is there unanimous consent?

Some hon. members: Agreed.

The Speaker: The hon. member for Roberval has the floor.

Mr. Milliken: Mr. Speaker, if the hon. member wants to speak, he will have to deal with the motion we will be moving in this House. I suggest therefore that the Orders of the Day be called.

[*English*]

The Speaker: I did call Orders of the Day. I was looking for unanimous consent to the motion put forward by the member. I am going to ask once again.

A motion was put forward by the hon. member for Kingston and the Islands asking for unanimous consent. Did I misunderstand? That is the motion that I put to the House. It is very simple. Is there unanimous consent?

Some hon. members: No.

[*Translation*]

Mr. Gagliano: Mr. Speaker, we just finished giving third reading to this bill providing for the resumption of work by rail workers.

[*English*]

The Speaker: I see I am going to have to put the motion first, if the hon. secretary of state will excuse me.

* * *

BUSINESS OF THE HOUSE

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.) moved:

That, immediately following the adoption of this Order, the sitting shall be suspended and shall be reconvened for the sole purpose of attending a Royal Assent;

Provided that, immediately upon return from the said Royal Assent, the House shall be adjourned to the next sitting day;

Provided that if the House has not been reconvened for the purpose of attending a Royal Assent by 10 a.m. on Monday, March 27, 1995, it shall, at that time, be reconvened for the sole purpose of being adjourned until 11 a.m. March 27, 1995.

[*Translation*]

He said: The purpose of this motion is to suspend the sitting of the House while the other place passes this bill and ensure that, by tomorrow, railway operations will have resumed in our country, so that, for instance, the people from the suburbs of Montreal who commute by train can do so tomorrow.

The other day, the Leader of the Opposition congratulated the Minister of Labour on having resolved the conflict in the port of Montreal. But now the port of Montreal is cluttered with containers and, if trains could get rolling as soon as possible, they could be shipped out. This way, factories would get the parts they need and workers could keep working.

That is why, for the last time, we ask the opposition to give consent to suspending the sitting of the House to allow this legislation to be enacted today and railway operations to resume tomorrow. I know that my colleague, the House leader of the opposition wishes to speak, but I hope that after he has done so, the sitting of the House can be suspended to ensure that this legislation be given royal assent before the day is over.

Mr. Michel Gauthier (Roberval, BQ): Members opposite have no need to worry about my wish to speak to this motion, Mr. Speaker. I have no intention of beating, or even getting close to, the recent parliamentary record for the longest speech on a motion, which was set by the current Minister of Fisheries and Oceans in the last Parliament when he spoke for three hours on a fisheries bill. Despite the Deputy Prime Minister's invitation, I have no intention of beating this time record, far from it.

Some matters must be clarified before we agree to adjourn.

• (1435)

Last Monday, when the government and the opposition faced off on the rail transportation problem, we had no idea that we would sit until today, Sunday, before solving this serious problem. We were prepared from the first and sincerely believed that it was possible to settle this matter very quickly with a minimum of co–operation.

This past week was certainly not democracy week in Canada's Parliament. In fact, the government set parliamentary rules aside four times in order to pass this bill. This week, they set aside the rights of CN workers as well as the very rule of free collective bargaining in Canada. This was certainly not the most glorious week for the government and the new Minister of Labour.

Some hon. members: Hear, hear.

Mr. Gauthier: This was neither democracy week nor a very good week for the Minister of Labour, who will go down in history as the ultimate trigger–happy minister, who rejected all the recommendations in the conciliator's report, who refused to discuss the matter with the opposition, who refused to keep an open mind in this debate, who refused to co–operate with the people on this side in order to settle the labour dispute.

Some hon. members: Hear, hear.

Mr. Gauthier: During this debate, and particularly at third reading, members opposite referred to previous debates during which the Leader of the Opposition or other members may have held different views. But we are quite comfortable with that. After all, let us not forget that the Prime Minister and leader of this government fought tooth and nail against free trade, leading an extraordinary charge which lasted for months and which was also part of his leadership campaign. Back then, all the members opposite were against free trade, whereas today they extoll the virtues of NAFTA.

If the Liberals want to talk about changing one's views, that is fine with us. Remember when they lambasted the previous Conservative government for making cuts to the UI program. Canadians and Quebecers are not stupid. The Liberals blasted the Conservative government regarding these changes to the UI program. Yet, as soon as they took office, the Liberals set out to do twice as much damage as the previous government had done.

Before adjourning, let us remember how hard these Liberals fought to protect social housing in Canada. Now that they form the government, they cut all the budgets for social housing. These are the people we are dealing with, across the floor.

We, as well as Canadian and Quebec workers, will remember the Minister of Labour and her government, which imposed four special motions to suspend the normal rules of Parliament. The first one, on Wednesday, March 22, 1995, was a time allocation motion limiting to one hour the debate at second reading. For those who are listening to us, the debate at second reading consists in examining the principle underlying the bill.

• (1440)

When we are preparing to change the rules of the labour relations game, following the conciliator's report, it seems rather presumptuous to us, to say the least, not to allow Parliament to speak for at least a few hours on the principle of this bill. Only one hour to discuss the principle of the bill.

Secondly, on March 22 as well, a second motion on the allocation of time, unheard of in Canadian Parliament, limiting the work of the committee to four hours. Why? Why not allow the committee a few hours to discuss the bill as a whole? It had only four hours and was obliged to stop its deliberations at 9 p.m., when it could easily have carried on until 10 p.m. or 11 p.m.

This is the strongest evidence that the government and the Minister of Labour never had the intention of listening to what the opposition had to say.

At 10 a.m., on Thursday March 23, even before the House began its proceedings, with no discussion between the government and the office of the Opposition House Leader and without any prior negotiations, the government decided, by tabling a particular motion here in this House, that we would sit Saturday and Sunday. It was not the opposition that decided this. It was at the government's request, and it is in the Hansard.

A fourth time allocation motion, on Saturday, March 26, again limited the work of the House, this time to three hours. How in all seriousness can they have so little respect for workers' rights? How can they not want to listen for one second to what duly elected members want to say to the government? At no time, it must be said, did the opposition take a stand outside the rules of Parliament. We simply refused to suspend the rules of this House. We wanted the debate to take place in the same way as most, if not all, parliamentary debates, that is, through the normal process of discussion.

At no time did I ever say to the government, to the press or to the electronic media that we wanted to filibuster this bill. On the contrary, I have always reminded the government and citizens that the opposition realizes that we have to resolve the railway dispute quickly yet responsibly and without contravening parliamentary rules, in order to avoid the economic problems associated with a lingering dispute.

Although there was no indication whatsoever that we wanted to delay the work, no indication whatsoever that we wanted to put the bill off until later, the government decided to introduce no less than four special motions, one of which, need I remind the House, was to sit Saturday and Sunday.

I was surprised. I was disappointed yesterday when the hon. government whip said that this was something absolutely unusual and wrong, and that we should not be sitting Saturday and Sunday, because it costs $17,000 an hour to run Parliament, and a little more to do it on Sunday. As if democracy did not warrant Parliament's decision to run as long as it sees fit, as long as it takes to solve problems affecting the citizens of this country.

It is utterly unacceptable that a debate on a point as basic as the right to strike or the right of workers to have their say on the issue comes down to a question of how many thousands of dollars it costs an hour.

• (1445)

As for the Deputy Prime Minister, she called members of the opposition stupid—what gall—because we talked about workers' rights. I have never seen such a thing. In the eight and a half years that I have been a parliamentarian, this is the first time that I have seen a Deputy Prime Minister stoop to so low an insult in describing the attitude of the opposition, which never did any filibustering, but merely wanted to ensure that parliamentary rules, the rules imposed on us by members opposite, were respected.

Mr. Loubier: Insult is the weapon of the people.

Mr. Gauthier: Before agreeing to let the House adjourn, I just wish to remind you and the population that, during the debate on this matter, the Minister of Labour refused to make the slightest concession allowing the workers not to disrupt rail transportation but to return to work and be heard. As even the conciliator admitted, the workers were not given the opportunity to be heard.

We asked the government to give the workers a chance to be heard by imposing a return to work. We agree that they should go back to work, but they should be given a chance to be heard without the sword of Damocles hanging over their heads. The Minister of Labour rejected this minimum demand by the

opposition, which would have allowed us to settle the whole dispute as early as Monday.

Do not forget that, instead of agreeing to or discussing this demand, the Minister of Labour and the government adopted a hammer–like approach in conducting parliamentary proceedings this week. This is not democracy week; it is a record for a new minister recently elected to this Parliament to flout parliamentary rules four times in order to speed up debate and settle this matter as quickly as possible without any respect whatsoever for those involved.

Furthermore, I would remind you that the Minister of Labour made a statement in this House which was quite surprising, coming as it did from a new member of Parliament who, we personally believed, wanted to advance labour relations. On March 22, the Minister of Labour said this:

> Let us be realistic: Kruger is closed, while Bécancour, Alcan and Petromont are in the process of shutting down. Let us do something, Mr. Speaker.

That is what the Minister of Labour said. Are those the words of a serious–minded person? Who would make such alarmist remarks, when Alcan never ceased operating, Bécancour never shut down, Kruger was closed for no more than 24 hours and Petromont remained open? Is it the responsible thing to do for a government minister to use scare tactics to settle a dispute?

Some hon. members: Hear, hear.

Mr. Gauthier: Not only is this minister the bludgeon minister, but she is the minister of economic terrorism. This gives a good idea of what to expect in the Quebec referendum debate.

Some hon. members: Hear, hear.

Mr. Gauthier: Imagine the Quebec referendum debate, in which she is supposed to represent this government. She was called in because the government wanted to have a credible spokesperson in Quebec. No sooner is she in that her first move as Minister of Labour is to violate the rights of the workers. How so? Through economic terrorism.

Some hon. members: Hear, hear.

Mr. Gauthier: Mr. Speaker, we cannot suspend the sitting of this House without first giving the people of Quebec this piece of advice: remember what the Minister of Labour did. Workers, whether unionized or not, do not forget how she handled her first labour relations assignment. Remember how she tried to scare people. Remember her arguments, arguments that turned out to be untrue. Remember that the Minister of Labour is to blame for the worst week we have gone though since we were elected to this Parliament.

Some hon. members: Hear, hear.

• (1450)

[*English*]

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, the Reform Party and my colleagues here today support the motion before us because we want to get on with the job. We want this to move to the Senate and we want to have royal assent today. That is the responsible thing to do at this time.

I also want to talk about democracy. The House leader for the Bloc Quebecois tries to epitomize democracy in the House. If members listen very carefully they will see his definition of democracy. One moment he talks about being for the worker. The next moment he talks about fighting for the economy of Canada. The next moment he is saying something about management. Very soon he is talking about the responsibilities of the Minister of Labour and how she should be involved.

He is all over the place. I cannot understand any kind of definition of democracy in these guttural utterances. It is a delaying tactic in dealing with some very important legislation before us that must move to the other place.

I would like to say to the Bloc Quebecois that democracy is representing those who need representation in an emergency situation. This is demonstrated by the legislation before us.

We have had a group of people who needed immediate representation. There are the shippers, the exporters, the farmers and a number of other people who are innocent third parties who cannot be involved in the collective bargaining process. They are in need of representation in a democracy so that they have equal opportunity. What we have done in moving third reading is say those people are going to be represented in our system and are not going to be injured in any way. It is time to recognize that is an important aspect in this democratic process.

On that basis we urge the support for the motion before us, that the House rises until the call of the Chair, that we resume and give royal assent so that tomorrow the transportation system is operating and taking its rightful responsibility.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

An hon. member: On division.

(Motion agreed to.)

SUSPENSION OF SITTING

The Speaker: Is it the wish of the House to suspend the sitting to the call of the Chair?

Some hon. members: Agreed.

(The sitting of the House was suspended at 2.55 p.m.)

The Royal Assent

SITTING RESUMED

The House resumed at 5.15 p.m.

MESSAGE FROM THE SENATE

The Deputy Speaker: I have the honour to inform the House that a message has been received from the Senate informing the House that the Senate has passed certain bills, to which the concurrence of this House is desired.

THE ROYAL ASSENT

[*English*]

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

Rideau Hall

March 26, 1995

Mr. Speaker,

I have the honour to inform you that the Honourable Antonio Lamer, Chief Justice of the Supreme Court of Canada, in his capacity as Deputy Attorney General, will proceed to the Senate chamber today, the 26th day of March, 1995, at 5.15 p.m., for the purpose of giving Royal Assent to several bills.

Yours sincerely,

Anthony P. Smyth,
Deputy Secretary, Policy, Program and Protocol

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

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

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

[*Translation*]

And being returned:

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

Bill C-59, An Act to amend the Income Tax Act and the Income Tax Application Rules—Chapter 3.

Bill C-60, An Act respecting an agreement between Her Majesty in right of Canada and the Pictou Landing Indian Band—Chapter 4.

Bill C-47, An Act to amend the Department of External Affairs Act and to make related amendments to other Acts—Chapter 5.

Bill C-77, An Act to provide for the maintenance of railway operations and subsidiary services—Chapter 6.

Bill C-216, An Act to amend the Unemployment Insurance Act—Chapter 7.

It being 5.32 p.m. the House stands adjourned until 11 a.m. tomorrow.

(The House adjourned at 5.32 p.m.)

HOUSE OF COMMONS

Monday, March 27, 1995

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*Translation*]

WAR MEASURES ACT

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ) moved:

That, in the opinion of this House, the government should immediately make an official public apology, accompanied by financial compensation, to the hundreds of citizens of Quebec who were victims of arbitrary arrest and unjustified detention during the enforcement of the War Measures Act in the early '70s.

He said: Mr. Speaker, it is with some emotion, not to say very strong emotion, that I rise in this House today to recall tragic events in the memories of Quebecers, involving individuals and the exercise of democracy in the 1970s. I will also be referring, in the course of this motion, to actions and events that continue today.

You have just read, Mr. Speaker, the motion that I tabled on October 5, 1994 in this House, which, in brief, has two objectives: to put the record straight with regard to the October events, in particular the imposition of war measures, and to recognize the victims of the imposition of the War Measures Act, on the one hand, and on the other, to disassociate the sovereignist movement from the unfortunate events of the time initiated by members of the FLQ. I refer, naturally to the death of Pierre Laporte in 1970.

Why are we making this motion in the House today? First, I repeat that it was tabled in October 1994, at the time of the release of the movie "Octobre" by director Pierre Falardeau, depicting the days leading up to the death of Pierre Laporte. This film was subsidized in part by the National Film Board, if I am not mistaken, and aroused the indignation and ire of some of my hon. colleagues in the Reform Party and in the Liberal Party in this House.

What did my hon. colleagues say? I refer simply to the remarks of the Reform member for Calgary Southeast, who, in her criticism of the funding of Mr. Falardeau's film, linked separatists, members of the FLQ and the cause of sovereignty in Quebec. They implied—and so did several members of the Liberal Party, this being the argument of our federalist opponents—that such organizations were part of the same camp as all the pro–sovereignty groups and individuals who have been supporting the cause using democratic means for over 25 years; I am referring naturally to the Parti Quebecois and its predecessors, the RIN and RN, and to the Bloc Quebecois, which has only been on the scene for the past few years.

I would first like to state loud and clear that no sovereignist, no official spokesperson of the democratic sovereignist movement, has never even considered supporting, in any way whatsoever, the criminal acts committed by certain individual members of the FLQ. On the contrary, in 1970, just days after the assassination of Pierre Laporte and the imposition of war measures, representatives from all sectors of Quebec society denounced these actions, especially the late René Lévesque, leader of the Parti Quebecois at the time. Making this distinction is important because the individuals who perpetrated the crimes assumed the consequences, were judged, sentenced and have paid their dues to society.

I would first like to demonstrate the impact these incidents, in particular the enforcement of war measures, have had on the lives of many fellow Quebecers and on our collective democracy in general.

In 1970, I was a member of the Parti Quebecois, and still am, and back then, I was garnering support in the riding of Frontenac, a rural riding in which Lac–Mégantic was the biggest town at the time. I was working for the Parti Quebecois. We had just been through our first election, on April 29, 1970. Please bear in mind that back then being a member of the Parti Quebecois was not easy in that kind of a community, a community that I respect and which was adamantly against all "ists": communists, separatists, socialists, péquistes. It was not easy garnering support democratically for the sovereignty cause in such a context.

When Mr. Pierre Laporte was assassinated, it struck a dissonant chord within me, I was bowled over, indignant, frightened.

• (1110)

In my heart of hearts, I did not feel that the cause I was fighting for justified killing a man in order to achieve our goal. Like hundreds of thousands of my fellow citizens, I was and still am convinced that this should be accomplished in a democratic

fashion. That is why we, sovereignists, will not allow anyone to question our desire to act democratically.

Second, I wish to point out that I was even more staggered and even sickened when, a few years after the October 1970 events and the imposition of the War Measures Act, I realized—like all of Quebec—that the federal government of the day, of which the current Prime Minister was a member, used the unconscionable acts of a few individuals to plan what can be called a political coup intended to destabilize the sovereignist movement.

I hear my colleague from the Reform Party groaning. I would ask him to show a little respect and forbearance. He will be able to speak after I have concluded. I am expressing what thousands of Quebecers felt at the time. They were mistreated and felt betrayed by the federal government, when they realized that it was all just a political plot. In 1969, long before the October 1970 events, discussions about these groups of individuals acting illegally in Quebec were held at the highest level of government, also known as the cabinet. They knew that these groups existed and surely knew who their members were, but were careful not to intervene. They waited for the right moment to impose the War Measures Act.

After this act was imposed, hundreds of people were arrested and detained illegally, without any charges being laid against them. I would like to quote a few figures and I would ask all my colleagues to pay attention. It is not only two or three people who were arrested, but more than 500. Five hundred people were arrested and detained, in some cases for a few weeks, without any charges being laid against them either during the October events or afterwards.

There were 4,600 cases of search and seizure were carried out throughout Quebec. The police entered private homes for all kinds of reasons, conducting searches and frightening ordinary people. Some 31,700 searches were carried out. These figures, in my opinion, demonstrate the significant consequences of imposing the War Measures Act. This act was enforced twice in Canada, the first time in 1918 and the second time during the October events.

• (1115)

I would just like to come back to another point, namely the fact that this is still going on today. Our friends from the Reform Party should pay particular attention to what I am about to say. Let us think back to the Grant Bristow affair, a few months ago. Bristow, a Heritage Front militant and known agitator infiltrated the Reform Party and moved in circles close to the leader of this party. We must realize that this is still happening today. And on the eve of the referendum debate, I ask the federal government, our Liberal friends and our Reform friends to respect the wishes of Quebecers. I ask that the federal government give the people of Quebec the assurance that every effort will be made to ensure that a democratic debate can take place, without the secret services or CSIS attempting to manipulate public opinion in Quebec.

Some hon. members: Hear, hear.

Mr. Bernier: I would like to take the few minutes remaining to emphasize that such activities went on after the War Measures Act was repealed, activities of the Canadian Security Intelligence Agency (CSIS) which, I repeat, are known, having been brought to light by a number of inquiries, such as the Keable Commission in Quebec, which uncovered a whole string of illegal acts committed by various individuals linked to the Canadian secret service. The Macdonald Commission of Inquiry also uncovered many illegal activities by RCMP officers.

I would also like to show how such activities affected the lives of these citizens. Just take the case of this man, a respectable Montreal lawyer by the name of Pierre Cloutier, who was investigated by the RCMP without his knowledge. Mr. Cloutier was under RCMP supervision for 11 years. What does Mr. Cloutier do for a living? This gentleman is a respected lawyer who was never accused of any wrongdoing and who acts as arbitrator in Quebec labour conflicts. For some ten years, employers and unions have called on him to settle their disputes. His credibility therefore is unimpeachable. Again, because Mr. Cloutier was somehow connected with individuals who were involved in the FLQ, or because he is still active in the sovereignty movement, the RCMP secretly followed him for 11 years, from 1970 to 1981.

An hon. member: This is a shame.

Mr. Bernier: When Mr. Cloutier asked to see his file, what did he find? First, he found a file which is 1,500 pages thick.

• (1120)

Just imagine: fifteen hundred pages on a single individual who never ran into any trouble with the law. Moreover, 1,000 of these pages are censored. This is the work of institutions which monitor the activity of sovereignists who want to act in full compliance with the democratic process. We all remember the case of an individual arrested in 1970, and his wife too. I am referring to Mr. Gérald Godin and Mrs. Pauline Julien. We all know about the illegal and criminal activities of Mr. Godin: he was a member of Quebec's National Assembly, and a Quebec minister for some ten years.

There is no doubt that this suspicious individual was under close surveillance by our federal institutions. Mr. Godin was illegally imprisoned in 1970. He was detained without any charges laid against him. What conclusion did he draw from those days? Let me read you a poem written by Mr. Godin after the October 1970 events. The poem is entitled "October". I

apologize for my English pronunciation, but I must read this poem in the language in which it was written by its author. In reference to those events, including his arrest, Mr. Godin wrote:

[*English*]

They followed me, they taped me
They spied on me, they tripped me
They broke in on me, they fell down on me
They hooked me, they trapped me

They arrested me without a warrant
without a reason, without a word, without a look
and they frisked my brain

They jailed me, they banned me, they exiled me
They laughed at me, they tried to destroy me

And there was a big silence around here then
There was a sort of continental silence
All my friends had left town

None of the usual talkers could find his words or his breath
None of the usual writers could find his pen or his ink

But still I am here tonight
and I'm gonna be here for a long long time
decades and decades after they'll have disappeared from here

I'll be hanging around
looking for justice, looking for peace
looking after my brothers and sisters

[*Translation*]

This is what Mr. Godin wrote following the October 1970 events, and I think we should all reflect on these words. Again, the purpose of this motion is to ask the federal government to apologize to the victims of illegal arrests, and provide financial compensation.

Mr. Raymond Bonin (Nickel Belt, Lib.): Mr. Speaker, it has been suggested that the House of Commons make an official apology to those who were incarcerated during the enforcement of the War Measures Act in the early seventies and that these people receive financial compensation. According to section 2 of the War Measures Act, the governor in council may issue a proclamation that real or apprehended insurrection exists, and this proclamation shall be conclusive evidence that apprehended insurrection has existed.

Once the proclamation was issued, the governor in council had the power to make orders and regulations to deal with the situation. As a number of members will recall, the provisions of the War Measures Act were invoked in October 1970, with the announcement that a state of apprehended insurrection existed in the Province of Quebec, in response to serious concerns expressed at the time by the Quebec Premier, Robert Bourassa, and the authorities of the city of Montreal.

In a letter to the Prime Minister of Canada, the Premier of Quebec used clear and direct language to describe the dangerous situation facing the provincial government. As he said: "The Quebec Government is convinced that such powers are necessary to meet the present emergency. Not only are two completely innocent men threatened with death, but we are also faced with an attempt by a minority to destroy social order through criminal action".

• (1125)

According to commentator Denis Smith, in referring to the events of the fall of 1970: "During an interview televised on the CBC network, Robert Bourassa mentioned a five–step revolutionary program: demonstrations, explosions, kidnappings, selective assassinations and urban guerilla warfare. The first three having apparently been carried out, Mr. Bourassa was sufficiently convinced, on October 16, that the "program" was being systematically implemented to believe that exceptional measures was necessary. We may question the nature and the reliability of the evidence available to Mr. Bourassa, but there is no doubt that at the time, Mr. Bourassa felt it was conclusive".

Mr. Bourassa and the Montreal authorities felt the evidence was conclusive and, on that basis, the federal government proclaimed the existence of a state of apprehended insurrection, pursuant to section 2 of the War Measures Act. On the basis of that proclamation, the government passed the Public Order Regulations, 1970.

On October 16, 1970, during the debate following the tabling of the regulations in the House, the then Minister of Justice, the Right Hon. John Turner, gave his colleagues the following assurances: "The procedure by way of proclamation is found within the War Measures Act. This is a completely constitutional technique. Let me point out more particularly that the regulations were issued under powers granted to the Governor in Council by Parliament; so that the constitutional source of this enactment was, and is, Parliament itself".

The constitutionality of the procedure and of the War Measures Act was subsequently also recognized by the courts. In *Gagnon and Vallières vs. Regina*, the Quebec Court of Appeal found, as had all court decisions up to then, that, under the War Measures Act and the constitution as it existed at the time, no judicial control could be exercised over the evidence in support of the decision by the governor in council to declare that a state of insurrection was feared. This decision was the exclusive jurisdiction of the governor in council.

The Quebec Court of Appeal also implicitly recognized the considerable precedents confirming the constitutionality of the War Measures Act. The courts have always held that the law is a valid exercice of Parliament's authority to adopt legislation for peace, order and good government in Canada.

The government of the time made a value judgment, which it was legally and constitutionally entitled to make on the basis of information available at the time.

It must also be pointed out that the federal government got involved in the Quebec crisis at the express request of the Government of Quebec. Following the crisis, the Quebec ombudsman investigated complaints of unfair treatment made by a number of people involved in the matter. Some of the complainants were compensated. Others had their claims dismissed. In

his annual report for 1971, the ombudsman noted that he felt obliged to investigate each complaint submitted to him. He said that he investigated the facts and reconstructed them insofar as possible. He tried to understand each person's situation and was able to consult files that seemed relevant.

The matter was settled provincially, and it is not up to this government or to Parliament to re–examine it.

Almost 25 years have passed since the events of October 1970. In this period, the legislative and political climate in Canada has changed considerably. We have witnessed the emergence of a strong tendency to protect individual rights, expressed more specifically in the enshrinement of the Canadian Charter of Rights and Freedoms in the constitution. Canadians' changing attitude is also reflected in the broad interpretation the courts have given to the charter.

• (1130)

Not only has the constitutional landscape of Canadian society changed since 1970, but also the legislation itself. The Government and Parliament of Canada have replaced the War Measures Act with the Emergencies Act, which limits the amount of force which can be used to deal with an emergency. The government would not be able to tap the wide–ranging powers it did in 1970 as easily today. This is also a reflection of how societal attitudes have evolved.

Judged within today's legislative, judicial and philosophical framework, some people would question the government's response to the events of 1970. Nevertheless, the fact remains that, at the time, the government did what it judged was necessary and what the constitutional and legislative framework in place then legally entitled it to do.

During the November 4, 1970 debate in the House on the legislation introduced to replace the regulations, Mr. Turner said the following: "And to suggest, as some members of the opposition have, that because an insurrection did not occur, therefore it could not have been apprehended, is an exercice in false logic".

This statement is more revealing 25 years after the fact than it was immediately following it. In 1970, the Government of Quebec apprehended an insurrection. The federal government acted, and its actions were driven by that apprehension. The measures it took were approved by tribunals and deemed to be in step with the powers which the law conferred to the government at that time.

We can and must learn from the past. The question begging an answer is whether we should review the past or invest in the future. We believe that the best choice is to use the government's limited resources to secure a brighter future for generations to come.

Any residents of Quebec who had been unjustly or arbitrarily targeted by the measures have been compensated by the Province of Quebec. In my opinion, it would be futile to rehash yet again this rocky period in Canada's history.

[*English*]

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I would like to read the motion to make it clear. Motion No. 332 reads:

> That, in the opinion of this House, the government should immediately make an official public apology, accompanied by financial compensation, to the hundreds of citizens of Quebec who were the victims of arbitrary arrest and unjustified detention during the enforcement of the War Measures Act in the early '70s.

Should the War Measures Act have been invoked? The answer is very debatable.

It might serve the purpose of the House to go through a bit of the history of the time. In late 1969 some bombs were detonated in Montreal at the Board of Trade and le Club Canadien. In February 1970 Charles Gagnon, the FLQ leader, was freed on bail. In May 1970 Pierre Vallières was freed on bail. In June 1970 the justice minister of Quebec, Jérôme Choquette, announced a $50,000 reward for information on activities leading to the arrest of key members of the FLQ. The reward led to tips which allowed the various police forces, the Quebec Provincial Police, the Montreal police and the RCMP, to make arrests.

• (1135)

It is helpful to realize all those forces were at work. It allowed them to make a series of arrests and uncover information which cited the FLQ's intent to kidnap the Israeli and American consuls as a sign of protest against American imperialism and the FLQ's solidarity with the Palestine liberation movement.

On October 5, 1970, James Cross, the senior trade commissioner at the British Trade Commission was abducted by the FLQ. On October 10, Pierre Laporte, the minister of labour in the Bourassa cabinet, was kidnapped. On October 15 the federal cabinet agreed to use the War Measures Act if the situation deteriorated. On October 16 the cabinet made the decision and implemented it. On October 18, two days after the implementation of the War Measures Act, the body of Pierre Laporte was discovered. On October 19, one day later, the House voted to support the government's decision.

On November 2 a bill called Public Order Temporary Measures Act was introduced to replace the War Measures Act. That bill correctly was limited to the FLQ. On December 1 the bill was passed in the House, 174 to 31.

Meanwhile, earlier in November the famous Montreal five: Lemieux, Vallieres, Gagnon, Chartrand and Larue–Langlois, were charged with seditious conspiracy and membership in the FLQ. On December 3 Mr. Cross was freed. Finally in January the troops were removed.

I would like to run that measure of events against my own memory of the incidents. In 1964 I was a staff officer at the headquarters of the eastern Quebec area when the Queen was about to visit. The FLQ at that time was making a lot of noise. In fact, the Queen's life was threatened. The general officer command in Quebec command at that time went to Quebec City and talked to me, among others, asking if the Queen's visit should be cancelled. My counsel to that general at the time was that we should not because we did not know the extent of the FLQ presence. Surely this would be taking too reactionary a step against an enemy that was supposedly very small and turned out to be quite small. I think the counsel was correct at the time. It was saying, do not over–react.

In 1970 I found myself as the commanding officer of the Cinquième battalion de services à Valcartier. I was living through all of these events. I was kept fairly busy because I was first of all told to provide some of my troops to help the infantry. I had to establish an advance base in Montreal and take part in the security of base Valcartier.

My personal conclusion from all of these events was that the invocation of the War Measures Act was not justified. The same conclusion can be reached by others. If we look at the "Queen's Quarterly" the Commissioner of the RCMP at the time, William Higgitt, was even more blunt.

• (1140)

He made it clear that he had never been asked for his opinion on the efficacy of invoking the act but only on the mechanics of implementing it. He added that if it conferred certain advantages to the police, there were many disadvantages, not the least of which were the excessive powers granted the Quebec police and the misuse of these powers that went on unchecked.

The commission pressed for documentation of the apprehended insurrection. Higgitt said that there was none. He went further to insist that he would have stopped somewhat short of using the words "rebellion" or "open rebellion". I had greater faith in the people concerned than that.

From all these things I would conclude that the Liberal government of 1970 was a bit like the Liberal government of today. It could see this thing coming but failed to act, or it deliberately invoked the War Measures Act for political purposes.

I can see the current Liberal government acting in the same way. Look at the dock strikes. Look at the stevedore strike, the railway strike. It is either too little, too late or it is just the opposite, a total over–reaction. As one critic said at the time, it is like cracking a peanut with a sledgehammer.

My conclusion on this motion is that the problem in Quebec was with the Quebec forces as much as with the federal forces. As we have seen, all the Quebec police forces; the QPP, the Montreal city police and the RCMP were all involved in this.

In my judgment, the Bloc Quebecois is not wrong in making this motion. I cannot go along with it but it is not wrong. It is being used as a warning of what can happen in a democratic country such as ours. At the same time, nothing can excuse the crimes that were committed nor is the Bloc trying to excuse them. Crimes were committed by the FLQ and nothing can excuse that.

In my view the government of today is not in a position to make an apology nor should it make financial compensation. Undoubtedly there were some innocent victims in all of this but we cannot prove it today. It would be of no value to try to bring it all to light again and find out who was innocent and who was not. The blame should be shared around. But I cannot condemn the Bloc Quebecois for bringing the motion up today. Let it act as a warning of what can happen in a democratic society.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Mr. Speaker, I thank my Reform colleague for his good judgment and honest approach. As for the hon. member for Nickel Belt, once more he did what the federalists have always wanted done when dealing with Quebec, that is getting a French Canadian to use strong arm tactics against other French Canadians.

I am pleased to rise on this motion, introduced by my friend and colleague, the hon. member for Mégantic—Compton—Stanstead. In 1970, I was 24, I was married and the father of a young child, therefore old enough to appreciate what was going on in Canada at the time.

Young Quebecers, troubled by inequalities, injustices and the lack of opportunities in Canadian businesses, had joined in the fight against the injustices suffered by the Quebec people. They used means which we still disapprove of and which were definitely wrong.

The Prime Minister of the time, Mr. Pierre Elliott Trudeau, was in the third year of his mandate and he decided, after several cabinet meetings, to put Quebec back in its place. Several Quebec ministers sat in on those cabinet meetings, including, to name just a few, the present Prime Minister, then Minister of Indian Affairs and Northern Development; Mr. Jean–Luc Pepin, Minister of Industry, Trade and Commerce; Mr. Gérard Pelletier, Secretary of State and Jean Marchand, people who used to be called, in Quebec, the three doves, but whose hearts were

blacker than the blackest raven to be found along Highway 417, coming into Ottawa.

• (1145)

This small group decided at cabinet level to invoke the War Measures Act, an act which, previously, had only been used in wartime. Invoking the War Measures Act was enough in itself to traumatize the people of Quebec which, at the time, was overwhelmingly federalist and solidly disapproved of the actions of the Front de libération du Québec.

The only other time this legislation was implemented was during the conscription riots, in Quebec, in 1918. What was different in the October crisis is that Canada was not at war. In those days, Canada had three guns; I will remind you that two of them were pointing at the crowd in Quebec City, while the third one had gone to war in Europe. This is the kind of attention that was paid to Quebecers in those days. And the great Canadian army in all this? October 16, 1970 marked the first instance of what was to become the army's trade–mark, namely action involving civilian populations.

We saw what it led to, last year, in Mogadishu, in Somalia. We saw the results of such involvement. The military trained in Quebec City and in Montreal, and had their finest moment in Somalia. I remember when the soldiers arrived in Montreal. I was 24, I remember well. They wore helmets and battle fatigues with locust tree branches stuck here and there. They carried a canteen, their pants were dragging on the ground, and they jammed their loaded M–1s in the ribs of secretaries and workers on their way to the bus. What a show our great beautiful military gave. During the Gulf War, it cost us $300 million to send our soldiers to keep watch over latrines and tanker–trucks. This was the same army which had practised on Quebec civilians. There is nothing to be proud of. At any rate, I am not.

The War Measures Act gave certain powers to the governor in council in case of war, invasion or insurrection. It stripped citizens of their democratic and civil rights. The executive reigned supreme and could act unchecked. The state of insurrection only existed in the mind of the then Prime Minister, Pierre Elliott Trudeau, and of the members of his Cabinet, including the current Prime Minister who was there then.

Things had been on the move in Quebec from the early 1960s. Instruments of democracy were sprouting left and right. The Caisse de placement et de dépôt du Québec, the nationalization of electricity and the health insurance plan threatened the very existence of powerful economic interests owned by the English Canadian and British establishment. This situation had gone on for too long, and it was time to end any idea of Quebec autonomy.

The then prime minister attacked Quebec nationalism, just as the military commanders of ancient times tried to batter down the main gate of towns under siege, for once this gate was breached, the towns were sure to fall. On closer examination, this was not the first time the military machine had gone to the aid of the political arm when the latter had exhausted its means of persuasion.

In addition to the episode in 1918 that I mentioned earlier, there were also the incidents involving native peoples and Métis in western Canada between 1870 and 1884. A truly magnificent army.

In 1837–38, there were not only francophone Patriotes, there were also anglophone Reformers, and they were simply asking for the establishment of responsible government and the application in their jurisdiction of the principles of justice, fairness and freedom.

Terrorism, from whatever sector of society, is no less an attack on the basic principles of human existence, and Central Canada and several English–speaking provinces have resorted to it too often. I would remind the brilliant senator, who in his time, sympathized with the Parti national social chrétien—the famous blue shirts of Adrien Arcand—and who recently expressed his concerns about Quebec nationalism, that the Governor General drew a comparison between the deportation of the Acadians and an all–expenses–paid Club Med vacation.

• (1150)

Manitoba's language laws, which were declared ultra vires by the Supreme Court of Canada nearly 100 years after they produced their perverse effect; and the unilateral abolition of powers at the Privy Council in London, which deserves a closer look. It is a little like divorce. Both spouses would like to go before the court to settle their differences but the wife could say, for example: "No, my mother will decide which one of us is right". That is about what the abolition of powers at the Privy Council in London amounts to. Imagine the kind of justice that can come out of this. It was then the only body still able to look at both sides and to occasionally restore a semblance of justice for Canada's francophones.

There was also Ontario's famous Regulation 17 prohibiting French–language schools on its territory. That is an act of terrorism. The Indian Act—back when the legislation referred to them as savages—was aimed at confining this country's first inhabitants to well defined areas. I would remind this brilliant senator that his art would never have taken him to the pinnacle of his career in the other place where he now sits, if he had worked in Sault Ste. Marie or Queen's Park. The Minister of Canadian Heritage summed up my thoughts the other day in this House when he started talking about sheep; you can imagine the rest.

Do this brilliant senator and the Minister of Industry know that the first Jew to be elected to public office in Canada was Ezechiel Hart, who became the member for Trois–Rivières in Quebec's Legislative Assembly in 1908, and that he was dismissed by order of the British government? He did not have the right to sit in Parliament because he was Jewish. Catholics were only recognized by the government in London in 1828. Senator

Roux and the anglophones who claim that Quebec nationalism is unhealthy should be reminded of that.

Everyone agrees now that the War Measures Act denied the most fundamental rights to hundreds of Quebecers. Take for example the arbitrary arrest of these individuals by police bursting into their homes, arresting them without a warrant and detaining them for several days, and even weeks in some cases, without even allowing their families to be informed.

I am not denying that this was an extremely volatile situation, but the measures taken were far too extreme. Did our so–called civilized society not assume, for a short while, the likeness of a dictatorship? I would have so much to say, but I know that a strict count of time is kept. Let me just say that, for these 32,000 searches, Quebecers are entitled if not to financial compensation, at least to an apology. It is the least once can expect.

Apologies have been made to the Italians, the Japanese, the Chinese. It seems to me that apologies should also be made to every francophone in Canada, and more particularly to those in Quebec, for blunders such as the one made in 1970.

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, it is an honour to discuss this motion asking the federal government to make an apology to those who, let us not forget, were the victims of arbitrary arrest and unjustified detention. No charges were ever laid against these people. The government ordered that these people be arrested and long searches were conducted to see if there were any grounds to lay charges. No charges were laid because no such grounds existed. People were arrested based on claims, without any regard for the habeas corpus procedure.

Let me tell you an anecdote. In 1970, I was a student at the Saint–Augustin seminary, in Cap–Rouge. I was a member of the Parti Quebecois, and so was my roommate. The evening that Mr. Laporte died, my roommate tore up his PQ membership card. I kept mine, and we debated an issue which is still topical today, namely that the federal government of the time used the reprehensible actions of the FLQ to kill the sovereignist movement. The real aim of the operation was to kill the sovereignist movement.

• (1155)

Because of adverse propaganda, membership in the Parti Quebecois dropped significantly. However, Quebecers also learned a lesson from this episode, a lesson which they will remember for a long time: Quebecers opted for democracy. In fact, that choice had been made long before, since Quebec has the oldest parliamentary institution in North America, as well as an appropriate motto which says "Je me souviens". We are patient; we are prepared to wait, but we will reach our ultimate objective, which is Quebec's sovereignty.

In all its efforts to kill that project, the federal government only succeeded in attacking the will of Quebecers to reach their objective not by resorting to violence, but through democratic means, and they will succeed.

The hon. member for Mégantic—Compton—Stanstead referred to Mr. Gérald Godin, who was arrested in 1970. The best proof that Quebecers did learn their lesson is that, in the 1976 election, the same person beat Robert Bourassa, who was then the federalist on duty. Quebec's long march toward sovereignty is based on respect for democracy. The events of those days had consequences which can still be felt. The federal government's constant attempts to instill fear in Quebecers have their roots in the actions taken then, and perhaps also in the events which occurred with the patriots, back in 1837. They are always trying to rekindle this fear.

No one among the federalists in Quebec is selling Canada as an option for the future. They are only attacking the other option, as if it was always necessary to come back to the same arguments: "Things will not go well, because the sovereignists do not want a bright future for Quebec." This is in line with the oath taken by Pierre Elliott Trudeau in 1970 to rekindle fear, to ensure that one can, in a roundabout way, either as Minister of Justice or as prime minister, achieve the same results.

During the October crisis, when Mr. Trudeau went on national television to make a statement on the kidnappings, he said: "Next time it could be the manager of a credit union." This was a demagogic way to say that the FLQ was such a well–organized group that it could strike almost anywhere in Quebec, but now we know that some of the FLQ cells were backed by the RCMP. This makes it a planned strategy to kill the sovereignist movement.

What we can say today is that the sovereignist movement will not die, it is here to stay. We have been using all the democratic tools at our disposal since then. We have elected the Parti Quebecois, as well as the newest offspring of our movement, the Bloc Quebecois, which is here to represent a very strong and very clear movement in Canada. It is obvious that as long as the Constitutional crisis in Canada is not settled, we will remain here, because we have a good memory and we will keep on using existing democratic tools. This is how we have decided to carve out a place in the sun for ourselves, and this is what we will do in the future.

In conclusion, I would like to say that it would be nice for those who were illegally arrested and who were never sent to trial to get an apology, because their rights were indeed violated. The purpose of the motion before us is also to send a message to Quebecers and Canadians of the future, to my children, to your children, to all young people who are growing up in our society, that when errors are made in the system, when the system forgets

that it is supposed to be democratic, we must have the courage to rectify this situation. We must be able to tell all these young people that, in Quebec and in Canada, things are done democratically and that it is possible to achieve our goals that way.

If this motion were adopted by the House, it would show people not only that the federal government made mistakes in the seventies, that it deliberately took actions that were unacceptable, but also that these actions will no longer be tolerated.

In any case, I think that Quebec will always respond through a democratic vote. It will do so again in 1995, or whenever it is deemed appropriate, so that Quebec can become sovereign at last and not encounter obstacles like those that the federal system put in its way in the seventies.

I urge the government to think about that. I believe that the Reform Party must also think about the appropriateness of the federal government making the official apology that the motion calls for and to ensure that all those who were illegally arrested are informed that the present federal government regrets the actions taken by the government of the seventies.

• (1200)

It would be an indication that members on both sides of the House really want to promote democracy as the sole foundation of political debates like the one that is going on right now in Quebec and in Canada.

The Acting Speaker (Mr. Kilger): The time provided for consideration of Private Members' Business has now expired. Pursuant to Standing Order 96, the order is dropped from the Order Paper.

GOVERNMENT ORDERS

[*English*]

CRIMINAL CODE

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): moved that Bill C–72, an act to amend the Criminal Code (self–induced intoxication), be read the second time and referred to a committee.

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

I think you will find there is an understanding in the House that in respect of this bill the minister will be the one speaker for the government. For the official opposition there will be two speakers who will divide the 40–minute period allotted to the second speaker in this debate without questions or comments. For the third party in the House there will be a similar arrangement in respect of the 40–minute period they would otherwise have. Then there will be a 20–minute speech from a member of the New Democratic Party. That should conclude the debate.

The Acting Speaker (Mr. Kilger): Just to make this very clear, the government will present one speaker, the Bloc Quebecois will have two speakers, the Reform Party will have two or three speakers, two speakers will also divide the 40 minutes, and finally I understand the New Democratic Party will have a spokesperson for 20 minutes. Is that agreed?

Some hon. members: Agreed.

Mr. Rock: Mr. Speaker, on September 30, 1994 the Supreme Court of Canada released its reasons for judgment in a case called Daviault. The effect of that judgment was to change the common law rules concerning criminal liability in cases where the accused is extremely intoxicated at the time of the alleged offence. The nature of that change, its effect in subsequent cases and the concern it caused about the principle of accountability in the criminal law lie behind the government's decision to introduce Bill C–72 which we are debating today at second reading.

[*Translation*]

With this bill, Parliament would abolish self–induced intoxication as a defence in the case of general intent offences involving violence, where basic intent is the only criminal intent required. Parliament would thus recognize a standard of care, any departure from which would make an unlawful act a criminal one.

[*English*]

In leading off second reading debate today, I propose to develop the principles underlying the bill and to explain why the government believes that Bill C–72 represents a prudent, necessary and valid amendment to our Criminal Code.

May I first touch upon the state of the law before Daviault. There has never been a formal defence of intoxication in the Criminal Code. Judges in the facts of specific cases have been left to formulate those rules by themselves.

Over the decades past, courts have approached this issue by creating two categories of intent in the criminal law: general and specific.

General intent has been taken to mean the basic intention to commit a criminal act in a broad category, such as assaulting someone or committing a sexual assault on someone.

The courts held that by way of distinction, a specific intent involves a special purpose in addition to the basic intent. The crime of murder, for example, requires the proof of a specific intent. It must be established that someone intended to cause a death. In theft it must be proven that the specific intent was there to achieve the special fraudulent purpose of depriving someone of specific property. With respect to the crime of breaking and

entering with intention to commit an indictable offence, again the crown had to prove that there was a special purpose in the mind of the accused.

• (1205)

Over the decades, the common law courts developed the rule that intoxication could be a defence to crimes of specific intent but were never a defence to crimes of general intent. As a result, if someone was acquitted of a crime of specific intent by reason of intoxication, they were almost invariably convicted of an included general intent offence. Therefore someone who might not be convicted of murder because of intoxication would be convicted of manslaughter which required a general intent. A person who was acquitted of robbery because of the lack of specific intent might be convicted of assault.

This approach to intent and the effect of intoxication upon criminal liability was one of the topics identified in the review of the general part of the Criminal Code launched by the Department of Justice last fall. It has been felt for many years that it is about time Parliament became involved in clarifying the rules with respect to defences and intention rather than leaving it to the courts to fashion their own approaches. It was in the course of that review of the general part that the Daviault judgment was released and its effect became known.

As to the judgment in Daviault itself, the effect of that judgment was to uphold the traditional distinction between crimes of general and specific intent. Another effect was to hold that extreme intoxication in some circumstances could be a defence even to a crime of general intent.

The underlying analysis was that extreme intoxication can cause a form of automatism. In the case of Daviault the evidence related to the ingestion of alcohol. The court held that in that automatic state, the state of automatism, a person would be unable to appreciate the nature of the consequence of their actions and would be unable to form the intention to commit the offence in issue. The court also held that it would be a question of fact in each case to determine whether that was so. The onus would be upon the accused person to establish that it was so and that scientific evidence would almost always be required to establish those facts.

The majority of the court also held in Daviault that under the current common law where self–induced intoxication was not held to be a sufficient basis for criminal fault, it would be contrary to the principles of the charter of rights and freedoms to hold someone criminally responsible for their conduct when they are intoxicated to the point of automatism.

I observe in passing that although the charter principles were touched upon in the facta filed by counsel in Daviault and although there was some reference to them in argument, the charter principles were not argued extensively or developed in detail. Furthermore, I observe that there was no section 1 evidence tendered by either party in the Daviault case. I also observe that the Attorney General of Canada was not invited to intervene in that case.

The Daviault judgment raised obvious concerns for members of Parliament and indeed for all Canadians. The whole question of accountability under the criminal law was brought into sharp focus.

Specific concerns related to crimes of violence against women and children. Indeed the Daviault case itself involved an allegation of sexual assault against a woman. In the weeks that followed the release of the Daviault case, there were other cases in various parts of Canada applying its principle, each case involving allegations of violence against women.

Concern grew that a person might be charged with murder and defend on the basis of intoxication. If the extent of intoxication was established to be sufficiently extreme, that person might walk out of the courtroom entirely free because they were incapable of performing a specific intent involving murder and because the intoxication was such that they were exculpated from the general intent crime of manslaughter. The result would be that they would face no sanction at all.

Concerns were also expressed that people might manipulate the legal principles so as to intoxicate themselves to some extent for the purpose of committing a crime. They would then intoxicate themselves further afterward before apprehension and rely upon the degree of intoxication overall to escape liability for the crime.

• (1210)

Following the release of Daviault and recognizing that change was needed, the government examined a variety of options. It looked at the prospect of legislating criminal intoxication as an offence under the law. Indeed, this suggestion was made almost 10 years ago by the Law Reform Commission. It suggested that we might approach the matter in that fashion. We rejected that option for a variety of reasons.

The first reason was the penalty. Clearly, it was the view of the government that if there was to be accountability in the criminal law, then the maximum penalty for any new offence of criminal intoxication would have to be the same as the maximum penalty for the original offence. Otherwise, we have the spectre of having created a drunkenness discount which would give people who intoxicate themselves an option to have a lesser penalty for the same crime. That obviously is unacceptable. If the maximum penalty for the new offence of criminal intoxication was to be the same as for the original offence, this would essentially be a long and complicated way of saying that intoxication is no defence.

The second reason for not pursuing the option of creating the criminal intoxication offence related to the labelling of the offence. The criminal intoxication option rests on the person being found not guilty of the original offence and instead found guilty of the new offence of criminal intoxication. The govern-

ment believes that a person who becomes voluntarily intoxicated to the point of losing conscious control or awareness and in that state causes violence to another person is at fault for the assault and should be held criminally accountable for that offence and for nothing less.

To acquit the person of the assault and convict them instead of a new offence of criminal intoxication would send the message that they were not criminally responsible for the assault itself. This would feed into the syndrome of blaming the alcohol instead of the man for the act of violence.

Third, a detailed examination of the criminal intoxication option in its various forms established that many of the charter and legal theory problems identified by the Supreme Court in relation to the common law rule as it applies to basic intent would apply with almost as much force to any such new offence.

If the new offence were required to be charged, there would be no opportunity to do so until trial, when the accused person invariably raises the intoxication as a defence and the crown becomes aware of it for the first time.

If the new offence were to operate as an included offence with conviction to follow automatically from acquittal on the main offence, a successful defence to that main charge which needs to be proven by the accused only on a balance of probabilities would be taken as proof beyond a reasonable doubt of the new offence of criminal intoxication. That anomaly might itself raise serious charter concerns.

If conviction for an included offence of criminal intoxication were to be not automatic but at the discretion of the judge or jury, the question arises whether the simple fact of the acquittal would be sufficient to form the foundation for liability for criminal intoxication. Would the crown be required to adduce additional evidence? If so, how?

The question arose of whether the offence of criminal intoxication would include an element of causation to prove for example that intoxication caused or led to the harm complained of.

Last, the prospect of the charge of criminal intoxication raised the spectre of the prosecuting crown attorney being required to argue contradictory positions at trial. One position would be that the person was not so intoxicated as to escape responsibility but in the alternative the person was intoxicated and therefore should be convicted of criminal intoxication.

The government also examined the prospect of a charge of criminal negligence as a separate offence, criminal negligence causing the harm contemplated by the crime in the code based upon self–induced intoxication.

• (1215)

Once again we rejected that approach. It avoided accountability for the central misconduct and provided a lesser label for the underlying harm which we believe should be addressed directly.

Having rejected those alternatives, we settled on the approach disclosed in Bill C–72. Fundamental to that approach is the principle of accountability. We are saying in substance that it is no defence to violent crime that you have intoxicated yourself.

For Canadians this is not just an issue in common law. This is a matter of common sense. I believe it is common sense which is reflected in this legislation. The bill applies to the basic intent element in all crimes of violence, including sexual violence and domestic assault which are of particular concern in relation to women and children.

This is not a course of mere technicality. The bill addresses an important point of principle. People cannot be permitted to hide behind drunkenness or other forms of intoxication to escape responsibility for their criminal conduct. What the government has said in this bill quite plainly, and as a principle of law, is that those who make themselves intoxicated and while in that state do harm to others cannot rely on their intoxication to escape the consequences in law.

The government also believes the approach of Bill C–72 avoids the conceptual and procedural problems I have identified in relation to criminal intoxication. I can report that in January when I met with the provincial and territorial ministers of justice and attorneys general it was this approach in Bill C–72 that was favoured by all present.

The question of the validity of Bill C–72, the constitutional validity, has also been carefully considered by the government in formulating this legislation. I observe at the outset that in the course of the Daviault judgment the Supreme Court of Canada in the majority ruling observed it was dealing not with a statute of Parliament but with judge–made common law rules and therefore did not feel obligated to show the deference it usually pays to a statute in determining the validity of the rule to which it created an exception in that case.

In Daviault the court expressly invited Parliament to legislate, to fill the gap created by its analysis of the common law. In essence the majority of the Supreme Court of Canada in the Daviault judgment said that while there is some fault in becoming intoxicated, the legal logic of the common law did not allow the court to relate that fault to the criminal fault underlying the charge.

Bill C–72 provides for the link between the fault in self–induced intoxication and the harm or fault in the criminal conduct which forms the basis of the charge. Bill C–72 creates a

legislative standard of care. It says expressly that if you intoxicate yourself to the point at which you lose conscious control and do harm to another, you have departed from a standard of care we are entitled to expect from each other.

With that criminally blameworthy misconduct you are not entitled to rely on your self–induced intoxication as a defence in law. That is the link that was missing when the court analysed the common law rule in Daviault. By this bill we are inviting Parliament to provide that link and to demonstrate that self–induced intoxication will not be a response.

While we are creating a legislative standard of care it is not the case that the crown attorney will have to prove in each case that there was a departure from the standard. It is not the case that standard is open to different interpretations depending on who is prosecuting, who is judging and where the case is being tried. We are stating in Bill C–72 conclusively that intoxicating yourself to the point at which you lose conscious control and harm others is a departure from the standard of care.

• (1220)

That is not going to be an issue at a future trial. It is a conclusive assertion by the House of Commons and the Parliament of Canada as the starting point for determining criminal liabilities.

Another important feature from a constitutional perspective is that the Daviault judgment was in relation to all crimes in the Criminal Code. The analysis of the Supreme Court of Canada was in relation to the criminal law generally.

Bill C–72 has been crafted so that it is relevant to crimes of violence. Having narrowed the ambit of the principle for the purposes that we have identified in this statute, we have demonstrated this parliamentary response is proportionate to the threat of violence and association with intoxication. It is a reasonable response from the legislature in that regard.

While there was no section 1 evidence before the court in Daviault, I hope when the bill is heard by committee there will be evidence to establish the facts referred to in the preamble, the close association between violence and intoxication, the disproportionate effect of such violence on women and children, and the extent to which that violence deprives women and children of the equality rights to which they are entitled under the charter so that a firm foundation will be laid for demonstrating the valid purpose and power of Parliament in enacting this legislation.

[*Translation*]

We must not underestimate the value and scope of the preamble to the bill. It is an expression of the reasons and considerations that have led Parliament to legislate in this way. These reasons and considerations have been written down and may usefully guide the courts in applying these amendments to cases that come before them.

[*English*]

It was suggested during the consultation process leading to the bill that as a matter of perception if we left Daviault alone and did not legislate, the perception would be clearly given that self–induced intoxication could excuse criminal behaviour with the result of a decrease in the reporting of crime, including in particular crimes of violence by men against women.

The feeling is if in the end result in any event the man were to be held not accountable, what is the purpose of going through the reporting of the prosecution. The preamble recognizes violence and the threat of violence have a disadvantaging effect and play a significant role in placing women and children at risk and denying them the right of security of the person and equal protection of the law guaranteed by the charter.

The new standard of care requires all members of society to take responsibility for not harming others. It would thereby assist in protecting the rights of all Canadians to the security of the person and the equal benefit and protection of the law.

The 1993 violence against women survey demonstrated that alcohol played a prominent role in violence against women. In more than 40 per cent of violent incidents the abusers had been drinking. The rate of assault for women living with men who drank heavily was six times higher than for those whose partners did not drink at all.

[*Translation*]

The preamble recognizes the close association between violence and intoxication. A number of studies have suggested that without necessarily being the cause, intoxication creates an environment that is conducive to violence. The new standard of care will reinforce among Canadians the obligation we all have not to do violence to others, whether we are sober or in a state of extreme intoxication.

• (1225)

[*English*]

It is important that the bill go to committee so that a parliamentary committee can hear evidence on these important factual points to provide a foundation for establishing the need for this legislation. I have already identified as an option which the government is considering the prospect of referring the legislation, after its enactment and before its proclamation, to the Supreme Court of Canada to establish its validity before it is proclaimed in force. That judgment will be exercised once we have the opinions of Canadians on the issue of validity. If we feel there are significant questions which require reference we will keep that option in mind.

Above all, we are anxious to have this law in place to restore certainty and particularly accountability to criminal law.

I take this opportunity to acknowledge the government's indebtedness to the initiatives shown by Senator Philippe Gigantès in the other place. Senator Gigantès presented Bill S–6 in the Senate shortly after the release of the Daviault judgment. Bill S–6 proposed the offence of criminal intoxication. There was an outstanding effort by Senator Gigantès to address the underlying public concern arising from this judgment. In the final analysis the government did not favour the precise approach he described in that bill. However, we are indebted to him for his initiative. In examining both his bill and his assessment of the issues we were better prepared to address those issues in Bill C–72.

I also acknowledge that the co–operation and collaboration of the other parties today is making it possible for us to deal with second reading on this one occasion. The bill will thereafter go to committee for the consideration needed. I am indebted to hon. members opposite for their collaboration in that regard.

I commend this legislation to the House for approval in principle at second reading. It will improve and strengthen the criminal law of the country.

[*Translation*]

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, first, I would like to remind you that I will be sharing my time with the hon. member for Québec.

As the Minister of Justice mentioned earlier, it is in response to the Supreme Court ruling in the Daviault case, among others, that the minister finally tabled Bill C–72 on February 24, 1995.

As he said, that bill amends the Criminal Code and prohibits self–induced intoxication as a defence in the case of violent crimes.

Persons who become intoxicated to a degree where they are unable to control their behaviour shall assume criminal liability for their actions. Later on, I will examine in detail the criminal acts affected by this bill, because it does not apply to all criminal acts.

We are still a long way from a comprehensive reform of the Criminal Code sections which set forth the fundamental principles of criminal liability and the grounds for defence in case of accusation.

This is still the stone age as far as criminal legislation is concerned. The rules of criminal law have not really been modified over the last 100 years. It was the Supreme Court that urged the minister to take action. Without that ruling by the highest court in the country, would the Minister of Justice still be consulting the population and the various stakeholders?

Let us review the facts of the Henri Daviault case. Mr. Daviault knew the victim, since she is one his wife's friends .She was 65 years old at the time. She is partially paralysed and confined to a wheelchair.

One evening, around 6 o'clock, she asked Mr. Daviault to bring her a quart of brandy.

• (1230)

The victim, that is the lady, drank less than a glass and fell asleep in her wheelchair. When she woke up during the night to go to the bathroom, Mr. Daviault grabbed her wheelchair, pushed her into the bedroom, made her lie on the bed and sexually assaulted her. He left the apartment around 4 o'clock in the morning. Henri Daviault is now 73 years old; when the accusations were laid against him, he was 70.

At the first trial, he said that he had spent that day in a bar where he had drunk seven or eight bottles of beer. He remembered drinking a glass of brandy when he arrived at the victim's apartment, but did not remember what had happened between that time and the moment where he woke up naked in his victim's bed.

Mr. Justice Bernard Grenier acquitted him because he was not absolutely sure that Mr. Daviault was conscious enough to form the guilty intention, that is the intention to commit the sexual assault.

The Quebec Court of Appeal quashed Mr. Justice Grenier's decision and found Mr. Daviault guilty. On September 30, the Supreme Court of Canada decided that an intoxication defence could be made in this particular case and ordered a new trial.

So, time is short. The Bloc Quebecois has always asked that people who voluntarily intoxicate themselves and then commit violent acts be held more accountable for these acts. It is time that legislators take their responsibilities and alleviate the increasing concerns of the public as the result of the Supreme Court decision in the Daviault case. We should not delude ourselves: the Daviault case is only one example among many, all equally revolting.

The results of a national survey on assaults against female spouses, in which more than 12,300 women participated, were released in March 1994. This survey reveals troubling facts on spousal abuse. I use the word "troubling", but "revolting" would be equally appropriate. But no matter what words are used, the majority in this House will not listen.

Violence against women is disturbing, so certain people prefer to ignore it instead of looking at it. As long as it happens to someone else, people do not feel that concerned. It is absurd to think that just saying that violence is everyone's business has become a cliché, something that everybody is tired of hearing.

I am not referring only to physical violence but to psychological violence as well, which has effects just as harmful and lasting. Disparaging remarks, abusive language and insults can

be just as harmful as a slap in the face or a punch. They leave deep scars that almost never disappear.

When a woman is told by her husband that she is good for nothing, that she is too stupid to understand, that she is not a good mother and spends too much time with friends and not enough time at home, when her husband tells her that he should have left her long ago, she gradually loses all self–esteem.

Life is a nightmare. Fear replaces the feeling of well–being that every human being needs. Isolation prevents victims from blowing the whistle on their abusers and it becomes very difficult for anyone to guess that a shy smile may hide terrible secrets. Injuries to the soul are the most painful, but they are the most difficult to see.

The national survey done last year by Statistic Canada on violence against women attempted to verify the theories on the existence of a link between physical and psychological violence. About one third of the women who are, or have been, married reported that their spouse or estranged spouse had been psychologically violent against them. Former spouses are considered more violent psychologically speaking than present spouses in a proportion of 59 per cent. Although psychological violence can occur without physical violence, the two types of violence occur together in a majority of cases.

Three–quarters of the women who said they were victims of physical or sexual violence reported having also been victims of psychological violence.

• (1235)

Eighteen per cent of the women who are not subjected to physical abuse at the hands of their partner have said that they experience psychological abuse. Physical abuse can take many forms. The main types that are described in the survey are pushing, grabbing or shoving around one's partner. The next type is threatening to hit, slapping, throwing objects at, kicking, biting and punching one's partner. Many women have been battered, sexually assaulted, choked, struck with an object, or threatened with a firearm or a knife. Mr. Speaker, could you ask my colleague behind me to listen quietly during my remarks? I will do the same when he takes the floor.

[*English*]

The Acting Speaker (Mr. Kilger): The member for Saint–Hubert is asking that the House co–operate in terms of any ongoing discussions, that possibly they could take place behind the curtains. I ask for the co–operation of the House.

[*Translation*]

Mrs. Venne: Thank you, Mr. Speaker. I will continue with my remarks. I was just saying that many women have been battered, sexually assaulted, choked, struck with an object, or threatened with a firearm or a knife. Very few cases are reported where only one form of abuse is involved. The most frequent injuries, in 90 per cent of all cases, are bruises. Then we have cuts, scratches, burns, hairline fractures or broken bones. Almost 10 per cent of injured women said they had suffered internal injuries or had had miscarriages.

The worst part of it all is that the victim of such abuse finds excuses for the abuser. Victims seldom lay charges. On average, the police are notified in only one–quarter of all of the cases of spousal abuse. When charges are laid, the victims withdraw their complaints or decline to testify. Those victims are afraid and, by that very fact, sanction the actions of the aggressors. How often have the courts heard victims say that they have decided on reconciliations, that the husband's actions were not that bad, that he had problems at work or because he had no work, that the children were annoying that day, that he was tired and that he had been drinking?

Precisely, he had been drinking. As if it were an excuse. It is not; it is an aggravating circumstance. The survey in question shows beyond a shadow of a doubt the relationship between alcohol and violence. It reveals that alcohol is a prime factor in spousal assaults. The aggressor had been drinking in half of all the reported incidents. More specifically, the rate of assault on women living with men who drank regularly, that is at least four times a week, was three times higher than for abstinent husbands.

Women whose husbands drink often—five drinks or more at one time—were six times more exposed to assault than women whose husbands do not drink. In 1993, fifty–five per cent of the men who killed their partners had consumed alcohol. Native women are particularly at risk when alcohol is present. It was a determinant factor in nearly every case of sexual assault on native women. Alcohol also played a part in every other offense against native women.

The Criminal Code contains no provisions dealing specifically with intoxication. Bill C–72 will change all that by adding to the Criminal Code section 33.1, which will prohibit the accused from using intoxication as a defence for violent acts.

Before specifically speaking of the use of intoxication as a defence, I must stress that it is important to understand the elements of a criminal offence and the types of offences for which the drunk defence can be invoked.

The concept of criminal responsibility requires that all material and mental facts, the elements of fault, be proven beyond any reasonable doubt for there to have been a criminal offence.

• (1240)

So, on the one hand, self–induced intoxication can diminish moral responsibility for normally criminal behaviour. But, on the other hand, the person who has committed a criminal offence while in a state of self–induced intoxication should not absolved of his or her responsibility.

Since the drunk defence does not exist in the Criminal Code, it must be drawn from case law. Where intoxication was not the result of a deliberate act, the accused could always plead the drunk defence.

Involuntary intoxication may come about through fraud or the actions of another person or through the bona fide use of a drug prescribed by a doctor, the effects of which were not known to the user.

So Common Law recognizes involuntary intoxication as a defence. By maintaining this defence, Bill C–72 codifies the jurisprudence. The new section 33.1 will still allow the involuntary intoxication defence, as is now the case.

Before Daviault, the question was whether the intoxication was self–induced, whether it resulted from the fault of the accused; it could not always be used as a defence.

However, in the case of offences requiring specific intent, such as manslaughter or robbery, intoxication can be used as a defence. Courts went to great pains to distinguish between the two categories. Even today, many legal scholars are hard put to understand the distinction between the two. Yet, this distinction is very important when the defence is based on the intoxication of the accused.

In the grey area of criminal law, there is no clear dividing line between specific intent offences and general intent offences. I will give an example. According to the Criminal Code, a murder is first degree murder when, and I quote the code: "it is planned and deliberate". This is a specific intent offence. The homicide must be premeditated, the accused must have planned the ultimate consequence of his action, that is the death of the victim.

Under section 322 of the Criminal Code, for a theft to be considered a theft, it must be committed, and I quote: "with the intent" to deprive, temporarily or absolutely, the owner of the object which has been taken. Here again, one could plead intoxication as a defence because it is also a specific intent offence.

We must remember that Bill C–72 does not change in any way the distinction between a general intent offence and a specific intent offence. In other words, a person accused of severe offences such as murder, theft, robbery, extortion, breaking and entering, and torture, will still be able to plead self–induced intoxication as a defence.

Sexual assault becomes murder when it results in the death of the victim. In this case, murder being a specific intent offence, the offender will be able to use the intoxication defence. He could not have presented such a defence if his victim had not died, since the offence he would have charged with would been sexual assault causing bodily harm, which is a general intent offence.

Which leads to the following nonsense. If the aggressor hits his victim hard enough to cause her death, he can plead that he was too intoxicated to know what he was doing. If his victim recovers from her injuries, he will no longer be able to use this defence. We must eliminate the arbitrary distinction between crimes of general intent and crimes of specific intent.

This legal fiction was created solely for the purpose of allowing drunkenness or intoxication as a defence. Criminal intent should include specific moral elements for each offence. Offences should no longer be divided into two distinct categories, but classified on a gradual basis according to their seriousness.

Bill C–72 is a step in the right direction, and I am convinced that it is constitutionally valid. The preamble to the bill will make it possible for judges to interpret section 33.1 in a way consistent with the principles of a free and democratic society. It will stand the test of section 1 of the Canadian Charter of Rights and Freedoms.

• (1245)

However, the justice minister should amend the general part of the Criminal Code without delay. The rules of criminal law are archaic and many of its fundamental principles are not included in the general part, as they were elaborated by the courts.

Precedents shape the law, and lawmakers are always lagging behind the judiciary. The time has come to reverse the roles, and for lawmakers to act responsibly. Thus, the justice minister will be able to stop trying to play catch up, and Parliament will be able to decide in which direction criminal law will be heading in the coming years.

Stopping violence against women will have to be part of this new direction. I urge the justice minister not to wait for another Daviault case to happen before he finally acts.

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, I am pleased to rise on this debate regarding Bill C–72, introduced in the House by the Minister of Justice.

This bill is of particular interest to women and is part of the legislative process aimed at curbing violence against women and children. I will therefore analyze it in this context.

First of all I will try to resume the historical background of legislation regarding the defence of self–induced intoxication,

since it is the topic of this bill. Then I will establish the relationship between violence against women and the aggressor's intoxication. I will then look at the bill itself and I will conclude with its consequences for the problem of violence.

The authors Côté–Harper, Manganas et Turgeon define self–induced intoxication as follows: "There is self–induced intoxication when a person over–estimates his or her resistance to alcohol or drugs, with the result that, then, his or her actions cannot be considered intentional".

Therefore, if I consume more alcohol that my body can take I will be responsible for my actions. Self–induced intoxication was accepted as a defence by the courts in 1920, in the decision *Director of Public Prosecutions vs. Beard*. In that case, the court decided that a person whose self–induced state of intoxication was such that he could not form the intention of committing a crime could not be found guilty.

Therefore in the case of murder, the Crown must prove that the accused was seeking to cause the death of the victim. If the accused was intoxicated to such a degree that he could not gauge the consequences of his actions, he cannot be found guilty of murder. He will, however, be charged with manslaughter, with an included offence, because his intoxication did not prevent him from forming the desire to carry out the action which led to the death.

It is understandable that the courts have developed, uniquely for the defence of self–induced intoxication, two types of offences: those requiring specific intent—to cause death, in our example—and those requiring general intent—such as to beat a person, who then dies. In *R. v. George*, 1960, Mr. Justice Fauteux of the Supreme Court of Canada explained the distinction as follows: "A distinction must be made between the intention to commit an act in terms of the intended purpose and the intention to commit an act independently of the intended purpose. In certain cases, the intention to commit an act is sufficient for there to have been an offence, while in other cases there must be, in addition to the general intention, a specific intention to commit the act".

The courts had always maintained this distinction, when allowing the accused to use the defence of self–induced intoxication. It was reserved for crimes of specific intent.

On September 30, 1994, the Supreme Court of Canada set off in a new direction when it handed down its decision in the Daviault case. Very briefly, it allowed the accused, who had been charged with sexual assault, therefore general intent, to plead self–induced intoxication.

The court relied on the interpretation of sections 7 and 11(d) of the Canadian Charter in concluding that it was unjust not to allow a seriously intoxicated accused the right to use this defence because a crime of general intent was involved. In an *obiter dictum*, the court recommended that Parliament resolve the issue through legislation. The decision raised a general outcry, both from groups defending women's rights and from police forces and some members of the legal profession.

• (1250)

I will not go into the details, but rather move on to certain aspects of the wife abuse problem and then come back to the Supreme Court decision.

Studies have shown time and time again the link between violence and intoxication, whether produced by alcohol or by drugs. This link is common in spousal abuse.

A Statistics Canada study conducted in March 1994 on spousal homicide revealed that, in 1991–92, thirty–seven per cent of the wives and 82 per cent of the husbands who were killed had been drinking. Based on statistics on murderers reported by police, 55 per cent of the men and 79 per cent of the women were under the influence of alcohol, and 18 per cent of the men and 13 per cent of the women were on other drugs.

A previous investigation by the same organization had revealed that alcohol played a major part, i.e. 40 per cent of abusing spouses were under the influence of alcohol.

It also indicated that the risk of becoming victims of violence was three times higher for women living with a man who drank regularly than for other women.

Alcohol is therefore a factor that should be considered when dealing with violence against women. We need to ask ourselves what impact a decision like the one rendered in the Daviault case, which allows a man who assaults a woman while under the influence of alcohol to plead drunkenness in defence, will have on the spousal abuse issue.

Let us start by looking at the general effect on the abusing spouse. Officials who work with violent men agree that the key to eliminating violent behaviour in men is to make them aware of their responsibilities by punishing them and making them aware of the fact that they could benefit from therapy.

Ginette Larouche is a social worker who has written three books on domestic violence. She also participated in the soon to be defunct Canadian Advisory Council on the Status of Women. In her opinion, by not sending abusers to jail or by doing so only for a ridiculously short time, which is often the case, society is trivializing the criminal act they have committed. Then, by having them join support groups, we are telling them they only have a little behaviour problem to deal with.

This analysis is supported by Steven Bélanger, a psychologist heading Pro–Gam, the first therapy group for violent men in Quebec, which was founded in 1982. Listen to what he says. "A long term solution must be sought at a more comprehensive

level. We must stop thinking that violence concerns only those who batter their spouse. Everybody is concerned. Having said that, I believe that the immediate solution lies in both court action and psychological assistance."

As we can see, both of these experts consider referral to the court as both a deterrent and a cure.

Women, even those not subjected to spousal abuse, live in fear. Why? Two professors at the School of Social Work of the University of Montreal published, in the *International Review of Community Action*, the results of a study on women's fear of crime and the various forms of violence to which they are subjected.

First of all, their report is a reminder that our published statistics on crimes committed against women are distorted. One of the reasons is that many women feel guilty for being assaulted, particularly if it happens while they are under the influence of alcohol or drugs or when they are in places that are "not nice".

I also mentioned previously the statistics on drinking in cases where one spouse murders the other, which is the ultimate form of spousal assault.

The authors also establish a link between spousal assault and society's attitudes in general. They blame the psycho–social approach used until very recently to deal with the issue.

The family being considered as a dynamic unit, responsibility for violent crimes committed within it had to be shared by all members. At that time, the expression "dysfunctional family" was used instead of referring to victims and assaults, in order to trivialize and decriminalize aggressions.

The authors also maintain that their study shows that women in general live in fear of being assaulted, that victimized women are also afraid of denouncing their assailants and finally that the women who have the courage to go to court must deal with the confrontational nature of our legal system. The traditional attitudes in our society are of no help to these women, especially since they are conveyed by men who do not have to face the same reality.

• (1255)

How does Bill C–72 help to somewhat improve the current situation of victims of assault?

First of all, it is important to remind people that this bill was introduced to neutralize the negative effect of the judgment made in the Daviault case and dealing with violent crimes. The bill makes it clear that a defendant will not be allowed to use intoxication as a defence when a crime of general intent was committed involving interference, or the threat to interfere, or any kind of assault vis–à–vis the integrity of another person.

So, the bill covers the majority of violent crimes, the others falling into the specific intent category, which can lead to a conviction for an included offence, as I said at the beginning of my speech.

To answer the question, we can say that the bill will facilitate the conviction of the aggressors. At the present time, a person charged with a general intent offence can plead voluntary intoxication. If this defence is allowed, the person will be cleared of all charges. So the bill takes us back to the situation that existed before the Supreme Court decision.

Such a move will send a message to society that aggressors must be punished because acts of aggression are serious and cannot be tolerated. At the same time, victims will feel encouraged to file a complaint. The cycle of spousal abuse can be broken only if violence is denounced, the aggressors punished and the victims helped.

Furthermore, like many other pieces of legislation, this bill will serve both as an educational and a dissuasive tool. It clearly states the zero–tolerance position of this Parliament against violence. We find the policy position of the House in the preamble to the Bill. Thus, the direct link between violence and the violation of women's rights to security of the person and to the equal protection and benefit of the law is mentioned. The principle of criminal accountability of the person who deliberately becomes intoxicated is also recognized, and that is very important. And, in addition, the victims' right to protection is recognized.

Finally, the bill refers to a standard of care defined in relation to the prohibition of violent behaviour towards another person.

This legislation is a step in the right direction and it meets the expectations of human rights groups, particularly those who are involved with women who are victims of domestic violence. Violence is a problem that must be eliminated, and we recognize that this bill is part of the solution. That is why we will support it.

However, other measures must be taken both in terms of legislation and government decisions. We have to make sure that groups who work with victims have all the support they need to reach their goals.

We can deplore the fact that the government has been withdrawing part of its funding for anti–violence support programs. In six years, financial assistance to these organizations has been reduced by 23 per cent. The number of grants has also been reduced by 47 per cent. The best intentions will never be more than intentions if they are not followed up with financial support.

The recommendations made by the various task forces and commissions will also have to be examined and implemented if we want to be able to say one day that gender equality really does exist in our society.

The government will also have to be consistent and adopt other pieces of legislation concerning other forms of violence towards women, including those involving genital mutilation.

[*English*]

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, it is a pleasure to rise today to speak to this very important bill. At the outset I remind the House that I will be sharing the time with my hon. colleague from Wild Rose.

The Reform caucus supports the bill 100 per cent, without any question, without any equivocation whatsoever. We are solidly behind both the intent and the desire of the government in the bill.

The Minister of Justice in his comments spoke for quite some time and quite well about the notions of specific intent and general intent. He lost me after about five minutes with the various intents going back and forth. I guarantee that he lost the vast majority of Canadians when the whole issue of intent, specific versus common intent, was raised. That highlights the problem I would like to address in my comments today.

• (1300)

It took 15 minutes for the justice minister to use the words most associated with what should be common law in our country, that is common sense. Without the foundation or without the basis of common sense in law it does not really matter what happens because we lose everybody else.

The basic test our laws must meet is the standard of common sense. Before I get into addressing that I point out that a week before the Minister of Justice introduced the bill I introduced Bill C–303, largely based on Senator Gigantes' bill introduced from the Senate.

My bill is on dangerous intoxication which addresses the issue from the perspective already covered by the Minister of Justice. When the bill was drawn in the lottery I went before the committee of the House of Commons which was to make the decision on whether or not it would become a votable bill. My advice and my suggestion to the committee was that anything which could possibly impair the development of or hinder in any way the application of Bill C–72 should be withdrawn. The decision should be made by people in the Department of Justice who are far more qualified than I am to make such decisions.

As parliamentarians we do not want anything to confuse the issue. Our caucus is solidly behind the Minister of Justice when he says that intoxication is no defence and no reason to slide out from under personal responsibility for the results of one's actions.

The bill rests in kind of a limbo waiting to see what happens. If it is necessary or if there is a problem, there are other ways to address the issue which may not be as efficient or as good as the bill. The reason we have come to this point is that in the first place the Supreme Court of Canada misread the intent and where it is relative to the Canadian population at large.

We do not really have a problem with the common law statutes that existed prior to the Daviault decision. In my view we have a problem with the Supreme Court expanding the envelope of its jurisdiction.

The Supreme Court does not have the responsibility to make laws. The Supreme Court has the responsibility to interpret laws. If this were a single instance where the Supreme Court were seen to lose touch with reality, we could say that perhaps it had a bad day or perhaps it was having tea or sherry in a club and thought: "What can we do? How many angels will dance on the head of a pin? Why don't we get the Minister of Justice to dance around a bit to see how he responds to this bone headed decision?"

If it were in isolation we might be able to say that but the reality is that it is not in isolation. This is a consistent pattern the Supreme Court has laid down over the last few years.

About 10 years ago late Chief Justice of the Supreme Court, Bora Laskin, said: "The Supreme Court is a quiet court in an unquiet land". How things have changed as a direct result of the charter of rights and freedoms. The charter of rights and freedoms essentially says that individual rights in society are paramount. The Supreme Court is kind of between a rock and a hard place, which is why many of its decisions that seem to defy reality are split decisions.

If the Supreme Court does not defend the notion of due process—and by due process I mean dotting the *i*'s, crossing the *t*'s and making sure everything is done absolutely correctly—decisions would be overturned based on the charter of rights and freedoms or other considerations.

• (1305)

Meanwhile Parliament and the vast majority of Canadians are concerned with crime control and common sense. We have the Supreme Court on the one hand and the population and by and large parliaments assembled all across the land on the other hand. Somewhere in the middle, I suppose, is justice.

Recently the Supreme Court brought down a decision in which a woman arrested for impaired driving before she blew the breathalyser was allowed to go to the washroom. When she was in the washroom the woman alleged that she consumed more alcohol and that when she blew over the limit it was as a result of having alcohol subsequent to her arrest. Therefore they could not prove that she was driving impaired. The Supreme Court, in a move that defies logic, in a move that defies the last 30 years of trying to get drunks off the road, chose to say that the woman was innocent.

Recently the Supreme Court decided that someone arrested for impaired driving has *x* amount of time to find a lawyer of choice. If one is nailed for impaired driving, one is nailed for impaired driving. The benefit of the doubt rests with the potential victim: the innocent bystander who gets hit by a drunk. We are trying to stamp out drunk driving. We are not trying to figure out what is legal.

What about ordinary Canadians when laws come down from Parliament that are written for lawyers and not for ordinary people? They should not need law degrees to figure out what is right or wrong.

The Supreme Court may review debate in the House when the time comes to review the law again because it wants to get the judgment of the people. We in the House represent the people of Canada who are upset and disgusted with a Supreme Court that comes out with decisions such as it has recently. I want the Supreme Court to be cognizant of the debate. I want the Supreme Court to hear me speaking about it in the House of Commons, saying that average Canadians have gone beyond the point of being filled with contempt for it. People are just dismissing it.

If the Supreme Court continually comes out with decisions better suited for a faculty club, with no basis of reality, obviously the laws will not connect with people. It is like a municipal police force installing a new sign which says 60 kilometres an when everything is designed for 100 kilometres an hour. People will ignore the law, get tickets and feel resentful.

When the Supreme Court makes decisions that do not make sense it brings discredit and disrepute not only to the Supreme Court but to Parliament as well. That includes all members who were elected to represent the people.

It is the righteousness of law, the essence of law that ordinary people instinctively understand is right, which imparts moral authority to law. If a law does not enjoy moral authority, if it does not enjoy the goodwill of the people, if ordinary people cannot look at it and say that it makes sense and they will obey it, what good is it?

In the absence of a foundation of common sense, laws will be ridiculed and with them the people who write the laws and the people who interpret the laws. That is the bottom line. We do not want to bring discredit to the whole notion of jurisprudence and the law in the way we work as citizens and in the way we relate to one another. Laws keep us civilized and we must respect them.

• (1310)

This brings to mind what we can do about it. We have a charter of rights and freedoms, which in my view would be greatly improved if it were the charter of rights, freedoms and responsibilities. We are not likely to lose the charter of rights and freedoms because people feel that it gives great protection.

Perhaps it is not all bad, but it has changed the way the country works. It has changed our relationship as legislators to the process of making and interpreting laws. As parliamentarians we have to start looking at a new way or another way of confirming people appointed to the bench.

When a person is appointed to the bench historically the procedure has been that the decision will have a host of considerations: where the person lives in the country, what language the person speaks, whether the person has standing in the community, whether the person has standing in the legal community, and whether the person has standing within the community of the political party that makes the appointment.

That might have been okay. By and large Canadians can be very secure in the knowledge that over the years we have had and do have a court that has the most profound respect of people from coast to coast. We have to be careful not to throw the baby out with the bath water.

There has been and is a continuing concern about the wisdom of decisions coming out of courts all across the land and not just the Supreme Court, decisions interpreted by some as decisions to promote or to enhance a particular lifestyle or a particular point of view. There seems to be tremendous inconsistency in the interpretation and the application of law from coast to coast and from court to court.

Perhaps it would not be a bad idea to consider after a person has been appointed to the bench, not just the federal benches but all benches, holding some sort of ratification process. I do not think it would be advisable to have members of the bench or of the Supreme Court in particular fearing for their jobs or being recalled.

I concur the positions should be until retirement because we need consistency and long range thought. We want to make changes slowly, not arbitrarily. We want to ensure that institutions of the country such as the Supreme Court do not reflect a bias that is here today and gone tomorrow. We need it to apply long range thought to decisions.

When the Prime Minister, in consultation with the Minister of Justice, makes a decision to appoint someone to the bench, it would not be a bad idea if the appointment were further ratified, not turned over or dismissed, by a committee of the House, probably the justice committee.

The terms of reference would have to be well defined. I do not think Canadians want or would put up with the confirmation hearings of our friends to the south that we see reported and that become partisan attacks. It would be an extremely important idea at the time of appointment that judges to all courts, particularly the Supreme Court, be very clearly told and understand that their job is to interpret laws and that our job is to write

them. Their job is to push the envelope to ensure that what we do is done correctly and that the checks and balances work.

• (1315)

A confirmation of some description would have far more value not to the judge who has been appointed but to those who are making the appointment to know that if they are making an appointment of someone who does not bear the scrutiny of a carefully crafted confirmation hearing they probably should not be there in the first place.

It would be a check and balance to those of us who are elected and make these appointments to make sure the appointments will stand the test of time, the test of open debate and the test of a little sunshine coming in so people understand these laws and the people who interpret them belong to the people of Canada. Our laws do not belong to the court. They do not belong to the Queen. We live together in society in a social contract because we have confidence and faith in our laws.

When someone commits a crime in all of our courts it is always the Queen, Regina versus the defendant. Perhaps we should expand that and say it is the Queen representing Canada at large and the person affected, the family affected versus the defendant. It is not an abstract third party deal if one has lost a friend or a mother, a father, a brother, children or a spouse either through criminal activity like murder or through violence or second degree offences such as impaired driving where there was no necessary intent.

We have to realize we are not talking about abstract ideas. We are talking about real honest to God people impacted on positively and negatively by the results of our actions, by the results of actions of others.

I put these suggestions on the table. These are the things Canadians from coast to coast want. Whether in British Columbia, the maritimes, Ontario, Alberta, in the north or in the south, whether Canadians are French speaking, English speaking, male, female, black, white, have been here for 10 generations or 10 days, we want security of the person. We want to feel secure when we leave our homes. We want to know that if we have been hurt or injured by someone else, the law of the land is here to protect us, not to protect the guilty, not to protect the perpetrator. The due process should belong to the innocent victim.

Unless we start to put the rights of the victim ahead of the rights of the criminal we will never ensure that people in the social contract between independent citizens who have given of themselves to the state, given their duty and fidelity to the state, get a fair return in exchange.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I endorse what my colleague said at the beginning of his statement, with all due respect to the minister and the speaker from the official opposition. It is rather difficult for an ordinary fellow with my education to keep up with lawyer talk. I get lost from time to time. If we use lawyer talk we might as well use doctor talk because I do not understand that either. However, I do understand the intent of this legislation. I commend the minister.

My colleague felt we were caught between a rock and hard place. I am going to change that from a stone to a hard place in respect of our minister so there will be absolutely no confusion.

I hope my speech will reflect the voice of ordinary Canadians, that which I have heard for quite a while on this issue. As we live from day to day we all have a habit of taking things for granted.

• (1320)

When I hear of a crime being committed by someone who is intoxicated I immediately take it for granted that he will be charged and probably convicted. However, when I learned there is no conviction because he was drunk, I am flabbergasted. I never dreamed for a moment that being drunk would be a successful defence. I began to ask myself how this could be. Who would ever have imagined being drunk would be an excuse to commit a crime?

My life prior to becoming a member of Parliament allowed me on many occasions to come to the aid of those involved in family problems in general and specifically in family abuse. In about 90 per cent of the cases liquor was a contributing factor. In other words, the physical abuse would probably not have occurred if the assailant had been sober.

With courts now deciding drunkenness can be used as a defence all our efforts to stop spousal abuse and child abuse would be for not. One only has to be drunk to be declared innocent. How ridiculous can we get?

Laws are written to protect the public. I find it unbelievable that normal human beings would decide that drunkenness is a defence. If it is because of the wording of legislation or the wording in the charter of rights and freedoms, for heaven's sake let us fix it.

I support and commend the efforts of the justice minister in preparing legislation to deal with this problem. I encourage each member to support it to the fullest so every judge in this country will get the message that the law makers of this land clearly state that under no circumstances will drunkenness be used as a defence in criminal activity. The best message we can send is that this legislation receive 100 per cent support, and the sooner the better.

As members of Parliament we are responsible for addressing the concerns of our constituents. As members of this House we are responsible for instituting legislation wanted by our constituents. Therefore the Supreme Court should be listening to

Canadians and parliamentarians when deciding the difference between what is law and what is legal.

No member of this House can say the people of Canada agree with the Supreme Court decision that drunkenness can be a defence for violence or actions that deprive someone of their personal dignity. Conversely, no Canadian can understand how the Supreme Court can condone voluntary extreme intoxication or that voluntary consumption of large quantities of an intoxicant absolves a criminal of all blame for actions following drunkenness.

It is time to force the Supreme Court to decide whether it will continue to be a law unto itself or whether its decisions will follow the wishes of the people. It is time to send the Supreme Court a message that making decisions not accepted by Parliament or the people of Canada will result in change. That message can be sent today. We have no need to wait or build a body of evidence for or against extreme intoxication as a defence for criminal action.

All Canadians want those who choose extreme intoxication to be held accountable for their crimes. All members expressed outrage that voluntary extreme intoxication can be used as a defence for criminal action. Everyone but the Supreme Court it seems understands there is some responsibility that must be accepted for a criminal offence that follows when choice was not impaired.

Let us send a message to all Canadians that parliamentarians acting on behalf of the citizens of Canada determine what is right and what is wrong, what is legal behaviour and what behaviour must be punished.

The justice minister wishes to send this to committee to solidify the foundation to implement the bill. I believe he suggested something along those lines. The foundation for the implementation of the bill has been built by the people of Canada in their outcry against the recent decisions in the courts of Canada regarding drunkenness. This outcry was heard by each one of us in the House. The voice of Canadians has provided the strong foundation necessary to make the bill law.

• (1325)

Therefore, I ask unanimous consent for the following motion:

That Bill C–72, an act to amend the Criminal Code (self–induced intoxication), be now not only read the second time but sent to committee of the whole and passed at third reading this day.

I ask this so all Canadians and parliamentarians can send a clear and loud message that states no one can or will accept voluntary extreme intoxication as abdication of responsibility for criminal actions, and that intent of or criminal action is decided by all Canadians, not by an appointed few.

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

An hon. member: No.

Mr. Rock: Mr. Speaker, on a point of order. I will explain briefly why I do not agree to the suggestion made by the hon. member for Wild Rose.

The government is considering the possibility of referring this law to the Supreme Court of Canada for a ruling with respect to its constitutional validity before it is proclaimed into force. We may not do that but it is an option we are considering. Whether or not we do that, the validity of this law may be challenged in the fullness of time and may be considered by the courts, including the Supreme Court of Canada.

If this issue is to be before the court, it is terribly important the court have before it not only the statute but the evidence on which the Parliament of Canada opted for this approach to the issue.

When the bill goes to committee it is our intention to call witnesses who can speak to the nature—

Mr. Stinson: How long will it take?

Mr. Rock: Mr. Speaker, it will not take long.

The Acting Speaker (Mr. Kilger): I hesitate to interrupt. Not to diminish in any way the importance of the subject matter to members on both sides of the House, but clearly I do not want the House to engage in debate on what was raised as a point of order, although it might have become more of a point of clarification, which would lead to debate.

I understand there have been some negotiations between the parties and an agreement made. Going back to the member for Wild Rose, there was a motion put before the House. Unanimous consent was requested and has been denied.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP): Mr. Speaker, it is a pleasure to support Bill C–72. I commend the Minister of Justice for responding quickly to the Supreme Court of Canada decision on this matter.

This is a matter of concern to all Canadians. It is clearly a problem that has been identified in the criminal justice system. It is appropriate the minister respond, as he has indicated, and preclude a person from being able to rely on self–induced intoxication as a defence.

It is also proper that the minister is considering the most appropriate way the proposal can be introduced into our criminal system. It would be irresponsible not to consider the constitutional ramifications of the proposal.

• (1330)

As we all know, Canadians are becoming increasingly concerned about their safety, the safety of their families and the safety of their communities. Their confidence in the criminal justice system and its effectiveness in reducing crime rates have given rise to concern over the last few years. There is increasing

demand that the government take action to deal with this situation.

I believe firmly and my party believes firmly that society should take stern, tough measures against violent crimes and those that commit them. I also believe just as strongly that we must balance the approach by putting in place programs to effectively prevent crime. We must be both tough on crime and tough on the causes of crime.

It is true that Canadians need to believe that those who commit violent crimes for whatever reason will be properly dealt with in the courts. This bill will address one concern: that someone can use the defence of intoxication to get away with a crime of violence. It is appropriate that the punishment fit the crime.

Unfortunately it is a knee–jerk reaction that is not good enough. From experience we know that simply expanding the incarceration system, the prison system, spending more money on courts and prisons, making more and more laws to punish more and more people has little positive effect on the overall sense of security and overall levels of criminal activity.

The Minister of Justice recently pointed to this problem. He said that building more jails, filling them with criminals and throwing away the key will not solve Canada's crime problems. In a speech to the Empire Club of Toronto he stated: "I believe we have to go beyond the slogans to the substance of the issue to prefer logic to rhetoric".

He continued: "If crime prevention is to be successful, it has to be a co–operative effort by law enforcement agencies, social agencies, the education system, community workers and health professionals. The goal is preventing crime. Making the streets safer has as much to do with literacy as it does with laws, human rights and living standards".

"Crime prevention means recognizing the connection between the crime rate and the unemployment rate, between unsupervised access by young people to movies saturated with violence and the way they behave toward one another and how a kid behaves in a school and whether he has a hot meal".

The Minister of Justice is entirely right in linking the causes of crime to the level of criminal activity which has caused so many people concern.

Before I go on to comment more about that let me talk about this defence. We know that the conduct of Henri Daviault, who consumed 40 ounces of brandy and seven or eight beer before raping a 64–year–old, partially paralysed woman is something that is reprehensible, something that every decent member of society finds absolutely disgusting.

Carl Blair, drank 40 ounces of rye, 40 ounces of vodka and a large quantity of beer and then brutally beat his wife. This kind of activity cannot be tolerated. We have to do everything within our means to address this effectively.

One of the things we can do, one of the things that we have the power to do, is ensure that drunkenness cannot be used as an excuse for violent behaviour, that it cannot be used to avoid a criminal sanction for such reprehensible acts.

Where did this activity come from, where did this seeming disregard for the rights of women come from, why do people turn to these actions? We know from reports by the standing committee on justice and the solicitor general on crime prevention that those represented on the committee maintain that the identification and punishment of criminals are, on their own, ineffective means of reducing future risks of victimization and promoting community safety.

Over the past decade we have seen the United States and some states in that country spending unprecedented sums of money on more judges and more prisons. In some states the building of prisons is the largest industry. Yet there, as here, citizens continue to report an increasing fear of crime in their communities. Pouring more money into punishment and incarceration cannot be seen as the complete answer to the concerns Canadians have about their justice system and safety in their communities. It cannot be seen as the complete answer to the problem of criminal activity that we experience. While the punishment must fit the crime, we must also act to eradicate the conditions that lead to individuals violating those laws. We must find new, effective and cost efficient ways of addressing the causes of crime.

• (1335)

There is a growing recognition in Canada and in our communities that any effort to reduce crime must include programs targeted at its root causes, as the Minister of Justice indicated in his recent speech to the Empire Club. Evidence points to a strong connection between social and economic conditions and crime. The minister admitted as much. Extensive hearings by committees of the House have identified, among other things, unemployment, poverty, physical and sexual abuse, illiteracy, inadequate housing, social and economic inequality as major contributors to crime.

The social and economic conditions that lie at the root of criminal behaviour are of course complex. A safer community strategy must look well beyond the criminal justice system to incorporate all levels of all governments and a variety of community groups to seek real answers to these real problems.

A successful response will recognize that employment policy, educational policy, family policy, youth policy, health policy must be understood in the context of their impact on crime. We know there is a strong connection between poor economic conditions, unemployment and crime. Study after study point to these contributing factors and point the direction we must

pursue if we are going to effectively deal with criminal activity in our country.

In closing, simply reacting to crime is not the answer. Apprehending, prosecuting, sentencing, incarcerating and treating offenders cost Canadian taxpayers billions of dollars annually. While these measures are important, while we must be tough on crime and criminals, they will continue to be ineffective until they are coupled with long term solutions for prevention, until they are coupled with long term solutions to be tough on the causes of crime also.

Crime prevention through social development involves positive interventions in the lives of the disadvantaged and neglected in order to bring about a reduction in deviant tendencies. This approach aims to reduce crime and create safe communities by tackling the social and economic conditions that breed crime.

To approach the issue of criminal concerns in our country, the difficulties with our criminal justice system in the piecemeal way with which the government is proceeding, is simply not the answer. The government deals with the specific issue of the intoxication defence. It is only reacting because of public pressure which arose as a result of the Supreme Court of Canada decision.

This is not a planned approach to effectively dealing with crime in our communities. There may be differences of opinion in how we address this problem, but what the government needs is a holistic, wide ranging, complete approach to the issue of criminal justice. As with all things we must focus on prevention rather than just picking up the pieces afterward. If ever we want to see a contrast we only have to look south of the border to see what is happening in the United States. If we do not deal with the causes of crime we will continue to reflect more similarly the tragic social, economic and criminal situations which exist there.

While the Minister of Justice is proposing a few useful, though piecemeal, measures such as this one to deal with concerns with the Canadian criminal justice system, the government is attacking the very programs which would assist in getting tough on the causes of crime. The Liberal government's attack on social programs can only be seen to serve to increase the sense of insecurity in our communities and to increase the causes of crime.

We have seen this over the years with the last government. This government is pursuing the same, even more aggressive attack on social programs and we will see it increasing the tensions in our communities and giving rise to greater stress which will give rise to greater criminal activity.

What the government needs is two things. It needs a comprehensive criminal justice approach, not a piecemeal approach. Canadians deserve to see a plan, some vision, some effort over the long term to see where the justice system should go. It needs to be based on informed opinion, not on the reactions of the public to individual concerns. Only responding to public pressure on individual issues is not good enough. The government needs to get tough on the causes of crime as well as on crime.

• (1340)

Second, it needs to stop eroding the very programs which serve to prevent crime. Its neo–conservative attack on social programs means Canada is bound to lose the war on crime. Canada and Canadians deserve better.

The Acting Speaker (Mr. Kilger): Is the House ready for the question?

Some hon. members: Question.

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

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): I declare the motion carried.

(Bill read the second time and referred to a committee.)

* * *

ELECTORAL BOUNDARIES READJUSTMENT ACT, 1995

The House proceeded to the consideration of Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries, as reported (with amendments) from the committee.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I rise on a point of order with respect to the admissibility of the procedural acceptability of Motion No. 4 standing in the name of the hon. member for Bellechasse which purports to amend clause 16 of the bill now before the House.

I realize Your Honour is about to make a ruling in respect of the procedural admissibility of a number of proposed amendments. However, I want to speak to this particular one because in my submission it fails to comply with the practices of the House in regard to such amendments.

The effect of the amendment, if it were accepted by the House, would be to change the method of calculating the number of seats assigned to each province under the Constitution Act. I have concerns about that because the Constitution Act is not up for a review or a revision in the amendments that are before the House under Bill C–69.

The bill, as agreed to in principle at second reading, has nothing whatever to do with the calculation of the number of seats for each province, but is entirely confined to the determination of the boundaries within each province for each of the districts after the calculation has been done in conformity with section 51 of the Constitution Act, 1867. The Constitution Act could have been amended in the bill that was put before the House but it was not.

If I may review for you, sir, the legislative history of this bill, Your Honour will recall that there was a motion brought before the House instructing the procedure and House affairs committee to undertake a study in relation to various matters outlined in the motion which included a review, if necessary, of section 51 of the Constitution Act in so far as the allocation of seats among provinces was concerned.

The committee did this study and filed a report in the House with the draft bill in it. The draft bill contained no reference to section 51 of the Constitution Act. The bill that the government subsequently introduced in response to a concurrence motion on the committee's report is Bill C–69 and it also contains no reference to section 51 of the Constitution Act.

What we have here is an opportunity, afforded by the hon. member in putting this motion, to make changes to other acts which in my view are outside the principle of the Electoral Boundaries Readjustment Act which is currently before the House. It is a whole new act but it deals with the adjustment of electoral boundaries, not with the assignment of seats to provinces. It is a different matter and is dealt with in a different statute and always has been dealt with in a different statute.

The amendment proposed by the hon. member for Bellechasse is a backdoor attempt to amend section 51 of the Constitution Act. He has used the word notwithstanding but it does not get the proposer of the amendment off the hook. It is an attempt to amend another act which is in no way open for amendment by Bill C–69 as agreed to in principle at second reading.

The amendment goes beyond the principle of the bill as agreed to at second reading and opens up an entirely different subject not dealt with by the bill before the House.

• (1345)

I would like to quote from Beauchesne's sixth edition, citation 698 which says in part:

> An amendment which is out of order on any of the following grounds cannot be put from the chair:
>
> (1) An amendment is out of order if it is irrelevant to the bill, beyond its scope or governed by or dependent upon amendments already negatived.
>
> (8)(a) An amendment may not amend a statute which is not before the committee.

There are various references in support of each of those citations.

I suggest to you, Mr. Speaker, that had this amendment been put in the committee after second reading of the bill, that is, not in its prestudy, but in its own study or in its own draft bill, in an amendment to the bill, as committee chair, I would have had no option but to rule it out of order because in my view it is beyond the scope of the bill.

It should be pointed out that attempts to use the word notwithstanding in order to sneak in a back door amendment to a statute not before the House is not a new device, nor is it one that the House has accepted.

In earlier years, previous governments were sometimes called to order for trying to legislate through estimates. This is an unacceptable process whereby statutes other than appropriation acts were amended by adding words or items in the estimates. One of the more frequent patterns of attempting to do this was to insert words in the item that notwithstanding such and such an act, the following shall be done or not be done, as the case may be.

I checked the precedent for this. On March 10, 1971 at pages 4126 and 4127 of *Hansard*, Mr. Speaker Lamoureux rendered a decision in respect of the supplementary estimates (*c*) for the financial year ending March 31, 1971. In a ruling on a motion that was brought forward by the President of the Privy Council, Mr. MacEachen, to refer these supplementary estimates to committee, Mr. Speaker Lamoureux ruled that certain of the supplementary estimates were not properly before the House because they purported to amend statutes through the estimates process and therefore went beyond what estimates could do.

The words that were used in the estimates fit the description of the words being used in this amendment. As Mr. Speaker Lamoureux pointed out on page 4126:

> Let us, if you will, examine the items singled out by the hon. members. The first one is vote 35c. It proposes to amend the Pension Act and the Civilian War Pensions and Allowances Act. The vote proposes to repeal schedules A and B of the Pension Act and substitute therefor new schedules A and B as found in vote 35c.

I could go on but I do not need to read it all. The point is that the Speaker found the estimates were seeking to amend statutes and of course those statutes were not before the House for amendment. The Speaker held, I think very properly, that the practice of amending statutes by the estimates was out of order. He made that ruling on page 4127. He said that "in view of the situation created by the new rules, these items are not before the House in proper form". He declined to allow them to go to committee.

Mr. Speaker, if that was the view then, I suggest that same view must apply to this amendment. What the hon. member for Bellechasse is trying to do is amend the Constitution Act,

section 51, by amending this bill and by simply saying that notwithstanding and it is changed so this and such happens.

Successive Speakers have found this was an unacceptable device because the word notwithstanding did not disguise the real purpose which was to amend another act not opened by the estimates process. The same rule must apply in respect of this act.

The provisions of the Constitution Act 1867 are in no way opened up by Bill C–69. The word notwithstanding does not disguise the fact that the only purpose of the proposed amendment is in fact to open those provisions of another act which would have not been opened by the bill and which should therefore not be opened up by this amendment.

I invite Your Honour to rule that the amendment is out of order and not properly before the House at this time.

• (1350)

[*Translation*]

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, thank you for recognizing me on the point of order raised by the hon. member for Kingston and the Islands.

If you read Motion No. 4 in the Notice Paper, you will see it relates directly to clause 16 of Bill C–69. So much so that subsection 16 (2) says:

> (2) On receipt by the Chief Electoral Officer of a return referred to in subsection (1) in respect of a decennial census, the Chief Electoral Officer shall calculate the number of members of the House of Commons to be assigned to each of the provinces, subject and according to the provisions of section 51 of the *Constitution Act, 1867*.

The amendment I proposed, which is in the Notice Paper, would be added to this.

However, when they refer to section 51 of the Constitution Act, 1867, in subsection 16 (2), what are they referring to? Certainly not the text adopted in 1867 by the Westminster Parliament, pursuant to the Imperial Act which created the federative kind of constitution we know today.

Section 51 of the Constitution Act, 1867, referred to in subsection 16 (2) of Bill C–69 which is before us, refers to a legislation adopted by this Parliament, which received assent on March 4, 1986. At that time, the federal Parliament of Canada, acting on its own pursuant to section 44 of the Constitution Act, 1982, did adopt the provisions of section 51 of the Constitution Act, 1867.

With your permission, I will table the 1986 legislation, that is chapter 8 of the 1986 Statutes, to show how this new section 51 was introduced and became part of an act entitled Representation Act, 1985. It is highly appropriate, when we talk about electoral redistribution, to establish a fundamental rule which will apply right at the beginning, which will govern the provinces, and then to say to the officer or the chief returning officer: before making any other distribution, you must consider that 25 per cent of the seats must be assigned to Quebec. It is in that same spirit that the amendment has been moved today.

To make matters clear, Representation Act, 1985, was challenged in our courts. It was challenged in a case called *Campbell vs. Attorney General of Canada*—which is reported in *1988, 49 Dominion Law Report, 4th Edition*, p. 321—where the British Columbia Court of Appeal, comprised of five judges in this particular case, decided: "That the Federal Parliament had all the authority to vote the above–mentioned act in 1985, that it did not need the support of the provinces, that the proportionality criteria in representation should be understood within the Canadian dynamics of proportionality, where there were Senate clauses, where deviations were made, and that this act, even at the time, did not affect the proportionality criteria". This opinion from the British Columbia Court of Appeal is most interesting.

Now, what about the way we have to deal with this bill? Section 44 of the Constitution Act, 1982, which concerns amendments, reads as follows: "Subject to sections 41 and 42"—where the consent of the provinces is required—"Parliament"—which means us—"may exclusively make laws amending the Constitution of Canada in relation to the executive government of Canada or the Senate and the House of Commons". As the Campbell case indicates, we are well within federal jurisdiction here. Section 44 does not specify a particular procedure. I may recall that unlike other amendments that may be made with the support of the provinces, in this case we can amend the relevant provisions through a bill.

• (1355)

When I move a motion in amendment that refers to the Constitution Act, 1867, as Parliament was in 1985 when it passed the 1985 readjustment legislation, I am well within the scope of this debate, and I submit, with respect, that my motion in amendment is entirely admissible at this stage.

We are merely establishing a basic rule, one of many basic rules in this kind of legislation, rules according to which the commissions may deviate by up to 25 per cent and special circumstances may be taken into consideration when establishing certain electoral districts. Establishing an additional rule that would guarantee Quebec 25 per cent of the seats is, I respectfully submit, Mr. Speaker, just another rule to add to the bill that would make it more comprehensive. I submit this with all due respect, Mr. Speaker.

Mr. Milliken: Mr. Speaker, for the purpose of clarification, I certainly agree with what the hon. member said about the authority of the Parliament of Canada to amend laws and to amend the section of the Constitution Act we have been discussing.

However, the problem is, in my opinion, that this cannot be done unless the government includes a clause to that effect in the bill before second reading. That is the problem we have today. There is no amendment to the Constitution Act in Bill C–69. So the hon. member cannot use an amendment to make this kind of change in the bill. He must do so in a separate bill which is not now before the House.

The Acting Speaker (Mr. Kilger): A short comment by the hon. member for Bellechasse, because I do not want to get into debate.

Mr. Langlois: Mr. Speaker, I will be very brief. Where the bill refers to section 51 of the Constitution Act, 1867, as amended in 1986, what we want to do is not change this provision but simply say that for the purposes of Bill C–69, it should be interpreted in such and such a way. I believe that is all I wanted to say.

The Acting Speaker (Mr. Kilger): Order. I have listened carefully to the representations made by the parliamentary secretary and the hon. member for Bellechasse with respect to Bill C–69 and, more specifically, Motion No. 4. I will take the arguments presented by both members on Motion No. 4 under advisement.

[*English*]

SPEAKER'S RULING

The Acting Speaker (Mr. Kilger): I also want to advise the House of the ruling of the Speaker on Bill C–69.

There are seven motions in amendment standing on the Notice Paper for the report stage of Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries.

[*Translation*]

Motion No. 6 has been withdrawn. Motions Nos. 1, 2, 3, 5 and 7 will be grouped for the purposes of debate. A vote on Motion No. 1 will apply to Motions Nos. 2, 3, 5 and 7.

[*English*]

Before proposing Motions Nos. 1, 2, 3, 5 and 7 to the House, I believe the Speaker will want to proceed with the next order of business. We will follow up on Bill C–69 following question period.

[*Translation*]

The Speaker: My dear colleagues, it being 2 p.m., pursuant to Standing Order 30(5), we will now proceed to Statements by Members pursuant to Standing Order 31.

S. O. 31

STATEMENTS BY MEMBERS

[*English*]

EDUCATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, during the recent recovery, 433,000 jobs were created in Canada. However a closer analysis will show that there is a disturbing problem underlying this.

Young people with a university education had a 25 per cent increase in the number of jobs. Those who had some level of diploma program after high school had a 14 per cent increase in jobs.

However, those who had only a high school education had a 23 per cent decline in the number of job opportunities. Accordingly it is very important for all Canadians to do what they can to encourage our young people to pursue their education.

The national high school dropout rate is 18 per cent. This is not acceptable for Canadians. I urge all members to do what they can to address this serious problem. As we all know, an investment today in our youth is an investment in our future for all Canadians.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, after cutting $5.5 billion on the backs of the unemployed in 1994–95, and at least $700 million in the latest budget, the government continues to hound the unemployed by hiring 600 new UI investigators.

From the government's cuts to unemployment insurance, we learned that the Liberals' new job creation credo was to consider the unemployed lazy. Now the government considers them cheats as well.

In the meantime, the government's measures to recover $6.6 billion in unpaid income taxes are not enough to remedy the situation. With the banks reaping profits of over $5 billion, the government is asking them supposedly to do their share by paying temporary income taxes of $100 million. The government's priorities are more than questionable, to say the least.

* * *

[*English*]

ARTS

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, this is certainly a proud day for Calgarians. Yesterday Calgary's Jan Arden swept the Juno awards by winning in three categories: female vocalist of the year, best single of the year and songwrit-

er of the year. It is the artistic excellence exemplified by Jan Arden that typifies the superior calibre of art in Canada. The future success for Canadian artists is boundless.

Another group bound for success hails from Newfoundland, a province that has produced more than its fair share of Canadian stars. Artistic Fraud of Newfoundland is a theatre company trying to raise funds to take its production to the Fringe Festival in Edinburgh.

Instead of seeking financial support from the government it has focused its attention on raising funds from the corporate sector. David Somers, a spokesperson for the company, said: "I am not under the impression that anybody owes us anything as actors or theatre people. It is entirely up to the artistic community to ensure its own survival. Businesses have been funding plays since Shakespeare's time and probably before".

With an attitude like that we know the group will be a success. This is a proud day for Newfoundlanders, Calgarians and all Canadians from St. John's to Victoria.

* * *

RED CROSS

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, Canadians are proud to celebrate Red Cross Month this March. For nearly a century the Canadian Red Cross Society has been working hard to prevent and alleviate human suffering across Canada and around the world.

The Red Cross has a distinguished history of helping those most in need by providing emergency relief to foreign countries devastated by war or natural disasters, helping victims of house fires and other tragedies, teaching prevention and safety through first aid and water safety programs, and ensuring an adequate supply of blood for all Canadians.

[*Translation*]

Last year, Fitness Canada provided $95,000 for water safety services and $51,000 for fitness programs for seniors.

[*English*]

Please join me in recognizing the contribution of the two million Canadian volunteers who regularly donate blood and support the programs and services of the Canadian Red Cross. We all wish you a very successful Red Cross Month.

* * *

NATIONAL WOMEN'S HOCKEY CHAMPIONSHIP

Mrs. Bonnie Hickey (St. John's East, Lib.): Mr. Speaker, I would like to acknowledge the outstanding work and dedication of the organizers of the 14th Annual National Women's Hockey Championship. It took place this past weekend in Summerside, Prince Edward Island.

The winning team from Quebec is deserving of the title of national champion. It emerged on top after three days of intense and high calibre competition, although I do not think it competed against a Newfoundland team.

Women's hockey has seen remarkable growth over the past decade. Today over 15,000 girls and women play the sport on a competitive basis, adding every year to the talent pool that has given Canada three world championship titles.

We can now look forward to the 1998 winter Olympic games when we will have the opportunity to cheer the Canadian women's hockey team since women's hockey has now been added to the Olympic games schedule.

Congratulations to all those involved with this year's national championships in P.E.I.

* * *

• (1405)

GOVERNMENT SPENDING

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, it is easy to tell the end of the fiscal year is upon us. Furniture trucks have been lining up at government offices all across the land as officials try to spend every last cent in their budgets before April 1. In my riding of Hillsborough, as elsewhere, the furniture trucks arrived on the weekend to deliver the goods at various government offices.

This would be all well and good if they were spending their own money. However, they are spending the tax dollars of every single Canadian. When a family is finding it difficult to make ends meet it cuts expenses and delays buying things. The government is having difficulty making ends meet and it also should delay the purchase of such things as furniture. Taxpayers have had enough of this wasting of money every year in March madness.

As we saw in this morning's Ottawa *Citizen*, the National Capital Commission spent $3 million on new furniture and over $300,000 on new telephone equipment. The people of Hillsborough and the rest of Canada want to see this amount of government waste ended.

* * *

[*Translation*]

WORLD THEATRE DAY

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, today we celebrate World Theatre Day. In Quebec the event will be marked by performances and plays, which the public is encouraged to attend in droves.

On this day we want to stress the importance of the theatre and the people in it, who give life on stage to plays that move us to

tears or put a song in our hearts. Theatre expresses life in its most tragic and most comic forms.

It is also a cultural industry with a considerable impact on the economy. The theatre also provides artistic and technical talent in all disciplines to other cultural industries such as television and film.

I wish all the people in the theatre and all those who love it a fine celebration. This is another moment of glory in your long history. Let the curtain rise.

* * *

[*English*]

OSCAR NOLL

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, the following are the words of over 10,000 Canadians in and surrounding the town of Palmerston, Ontario, where 82–year old Oscar Noll was charged with assault with a weapon following his success in saving himself and his property from damage and theft at his place of business:

> We the undersigned are both concerned and provoked that Oscar Noll should be charged for protecting himself and his property against illegal intruders. We feel he used reasonable force under the circumstances and attempts to penalize him are unwarranted.

This statement as well as dollars sent in to support Oscar Noll's defence are a clear sign that the 1990s law of the Liberals is not satisfactory.

I take this moment to remind the government, especially the Minister of Justice, that Mr. Oscar Noll is the victim of crime, not the criminal. I urge the government and the minister to answer the wake–up call of Canadians and fix this problem.

* * *

RACIAL DISCRIMINATION

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, March 21 to March 28 is the United Nations week of solidarity with the people struggling against racism and racial discrimination. During this week we bear in mind the threats to peace posed by lack of tolerance among the world's peoples.

Since the end of the cold war in many countries ethnic conflict and human rights violations against minorities have intensified. On a more positive note, next month we will celebrate the second anniversary of the end of apartheid and the first anniversary of democratic elections in South Africa.

In a world darkened by ethnic conflicts that tear nations apart our country has stood for the whole world as a model of how people of different cultures can live and work together in peace, prosperity and understanding. However, we must realize that many people still face racism and discrimination every day and that firm, forceful and repeated educational work must be done to eliminate it from Canadian society.

On behalf of all members of the House I urge all Canadians to recognize their responsibilities to one another and to society so that together we can continue to make this country the envy of the world.

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REFORM PARTY

Mrs. Brenda Chamberlain (Guelph—Wellington, Lib.): Mr. Speaker, Canadians are tired of political parties that do not keep their promises. As the Reform Party dusts off its reform blue sheet Canadians see a political party, like so many others, failing to keep its promises.

Promise No. 1: end double dipping. Reality: one of their own collects a provincial pension while sitting as a member of Parliament.

Promise No. 2: adequate punishment for young offenders. Reality: vote against a bill that does just that.

Promise No. 3: fiscal responsibility. Reality: a party that cannot control its own finances. Newspaper reports say the party is in debt.

Promise No. 4: representation which reflects the wishes of a majority of its constituents. Reality: vote against gun registration, despite majority support.

Reform supporters and all Canadians see the list of broken promises in the blue sheet of the Reform Party. It is enough for all of them to see red.

* * *

• (1410)

EPILEPSY CANADA

Mr. John Murphy (Annapolis Valley—Hants, Lib.) Mr. Speaker, March is National Epilepsy Month. Epilepsy is a functional disorder of the brain that temporarily blocks awareness. It is characterized by seizures, uncontrollable shaking, convulsions and confusion.

More than 280,000 Canadians, primarily youth, suffer from this condition. In approximately 75 per cent of the cases there is no known cause. New medications have been developed to control seizures but drugs are not the cure and often can have severe side effects. In addition, 40 per cent of seizures are not successfully controlled by current medication.

Epilepsy Canada is a voluntary organization dedicated to helping people with epilepsy and their families to overcome problems associated with this disorder.

I ask all members of the House to join me in applauding Epilepsy Canada and the work of its many volunteers. I also urge members to work to promote medical research so that we can find a lasting cure.

S. O. 31

[*Translation*]

LABOUR RELATIONS

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, the events of the last few days have exposed the many shortcomings of the federal labour relations legislation. The two special acts voted in over the last two weeks to bring workers back to work are the most recent examples of the warped effects of archaic federal legislation.

Cabinet is hiding behind proposed reforms to the Canada Labour Code which apparently are now being studied. Yet, the provisions on strikebreakers have been well known for several years. It has been 17 months since the Liberal government was elected, and still nothing has been done regarding the issue.

When the time comes to bring in laws denying workers their rights, the government can work quite quickly, but when it comes time to correct provisions which victimize workers, the Liberals are happy enough to adopt an intolerable wait–and–see policy.

* * *

[*English*]

MP PENSION PLAN

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, in honour of Oscar night I present the top 10 Liberal excuses for keeping the fat cat pension for life plan.

(10) Hey, come on, we work weekends.

(9) The Deputy Prime Minister is going to need it when she resigns for not keeping her campaign promise to scrap the GST.

(8) If it were not for this plan Liberal members would not be of such high quality, like the member for Halifax, Nova Scotia.

(7) It is the only long term financial commitment the government can make.

(6) How else will they afford health care in their golden years?

(5) You do not expect them to rely on the Canada pension plan, do you?

(4) After they retire they will have to pay for their own trips.

(3) There is not room for all of them in the Senate, is there?

(2) If you think about it, their pensions are small when you compare them with the national debt of $550 billion.

(1) The Prime Minister will need the money for a place to stay when the leader of the Reform Party moves into 24 Sussex Drive.

SOCIAL PROGRAMS

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP): Mr. Speaker, those who speak on behalf of and know the problems faced by the less well off in Canada today pointed out the complete about face of the Liberal government on social programs and health care.

Seven billion dollars less in the two years 1996–97 and 1997–98 is deeper than stated in the budget and will mean severe cuts in health care, post–secondary education and social programs across Canada. With federal government spending declining soon the federal government will have no power to ensure accessibility to health care, post–secondary education and social programs to all. It is the end of medicare and, with the end of CAP, provinces will not have to have social programs at all.

Canadians did not vote for this. The Liberals did not campaign on the total dismantling of Canada's social safety net and Canadians do not want to see the continuing Americanization of our society, whether it be carried out by Conservatives or by Liberals.

Newt Gingrich's Canadian fellow travellers Ralph Klein, the leader of the Reform Party and now the Prime Minister are turning back the clock to the thirties. Canadians need a government that works for Canadians and they deserve to have a government which keeps its promises. We used to say—

The Speaker: The hon. member for Kingston and the Islands.

* * *

THE TRAGICALLY HIP

Mr. Peter Milliken (Kingston and the Islands, Lib.): Mr. Speaker, I am pleased to rise today in the House to congratulate the Tragically Hip for their success last night in winning two Junos: entertainer of the year and group of the year.

The Hip have now won five Junos, including entertainer of the year for the third time. The group of Gord Downie, Gord Sinclair, Paul Langlois, Johnny Fay and Robbie Baker is from my riding of Kingston and the Islands and has a strong commitment to the Kingston community.

• (1415)

The entertainer of the year award is voted on by fans and is testimony to the band's wide appeal in Canada. The Tragically Hip sold out its recent 20–event tour of Canada in three days and has sold over 500,000 copies of its recent album "Day for Night".

While the Hip was winning Junos and praise in Canada on the weekend, it was also making a break into the American market with an appearance on "Saturday Night Live".

I join with millions of Canadians in congratulating the Tragically Hip on its success and wish it further great singing in the future.

* * *

WORLD ROWING CHAMPIONSHIPS

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, I am pleased to congratulate the St. Catharines—Niagara Class A World Rowing Committee on its bid for the world rowing championships.

Rowing Canada has endorsed the committee's bid and will be putting the St. Catharines—Niagara bid forward on behalf of Canada in Finland later this year.

In 1970 St. Catharines hosted world rowing. We know we can do it again. We are pulling together to bring the world back to Niagara. We have the facilities, the expertise and the experience to make the 1999 World Rowing International Championships a great success.

ORAL QUESTION PERIOD

[*Translation*]

AIR TRANSPORTATION

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, on March 10, the Minister of Transport announced that his government was granting the coveted Hong Kong route to Air Canada. This weekend, however, we learned that the minister had done an about–face and refused without any justification to allow Air Canada to fly to Hong Kong before late December 1995.

How can the Minister of Transport explain his government's decision to delay until late December 1995 Air Canada's access to the Hong Kong market, when this airline was all set to begin service to Hong Kong right away?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the second designation policy which we announced is not limited to Air Canada and Hong Kong. The predetermined passenger volume levels setting off the process also apply to Germany, for instance.

All these decisions were made after a long period of reflection and extensive negotiations, and we feel that it is in everyone's interest to ensure total openness in granting landing rights.

I must say to the hon. Leader of the Opposition that I really appreciate the way Air Canada President Hollis Harris reacted by saying that he appreciated the work done by the Government of Canada with regard not only to the Hong Kong matter but also to the bilateral agreement with the U.S., and especially to Air Canada being given access to the Japanese market. That is something he had been seeking for many years.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, how could the President of Air Canada afford to offend the route granting minister who is holding his company's future in his hands? The employees themselves are not so happy.

During his March 10 announcement, the minister bragged about his balanced distribution giving Air Canada a route to Hong Kong and Canadian access to several countries in Asia, not to mention the vast majority of available flights to New York and Chicago.

In this context, does the minister admit that it is unfair to delay the launch of the Hong Kong service until December, when the decisions benefiting Canadian take effect right away?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, first of all, I know that the hon. Leader of the Opposition is very interested in this matter. I share his interest since we have been working on this without respite since we came to office. These are extremely complex situations that have existed for a very long time.

I wish to repeat once again that, when the announcement was made, it was not only a matter of granting landing rights in Hong Kong. It is not necessarily true that only the Hong Kong decision was delayed. All decisions based on national landing levels are at stake and that includes Canadian Airlines International's right to land in Germany.

• (1420)

The management of both airlines, including both presidents, Mr. Harris and Mr. Jenkins, reacted to all our air transport policy announcements by saying that they were very satisfied with the work done by the government, the negotiators and all those involved. The work was extremely difficult and very complex.

At the end of this year, both air carriers will have the opportunity to compete in all markets around the world, a first in Canadian air transport history.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, if it was so obvious that the decision would not take effect immediately, how come Air Canada had already taken all necessary steps to start flying to Hong Kong, spending money and getting ready to begin service right away?

Can the minister tell us if it is true that the decision to delay Air Canada's landing rights was imposed by the Prime Minister and that this delay prevented the immediate creation of 500 jobs in Montreal?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I assure the hon. Leader of the Opposition that the decision was not imposed by the Prime Minister. It was the result of a great deal of work.

I point out to my hon. friend that Air Canada, prior to the announcement on the second designation levels for Canadian carriers, had already announced that it was going to employ nearly 1,000 Canadians in its operations as pilots, as flight attendants and as ground personnel.

The growth and future of Air Canada and Canadian Airlines International will be the result of a series of initiatives undertaken by the government after a great deal of work.

In response to the question of the hon. Leader of the Opposition, I believe the attitude exhibited by Hollis Harris and Kevin Jenkins ushers in a new era of confidence for the employees of Canadian Airlines International, of Air Canada, as well as the shareholders of both companies and the Canadian travelling public.

* * *

[*Translation*]

PEARSON AIRPORT

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, my question is for the Prime Minister. The *Financial Post* reported last week that the Prime Minister's former employer, the law firm of Lang Michener, confirmed that a one and a half hour meeting had taken place in January 1990 between the Prime Minister and the Matthews Group, the main partner in the consortium that eventually secured the Pearson Airport privatization contract.

In view of the fact that Mr. Matthews said he met the Prime Minister to discuss the privatization of Pearson International Airport, contrary to what the Prime Minister stated in this House on December 8, does the Prime Minister still maintain that the subject of privatization never came up during that meeting?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think it is clear: the answer is no. I even took the time to check with the lawyer who represented the Matthews Group in the office. I spoke with him and he confirmed that the Toronto airport was not discussed at all. At that time, I was not aware of the privatization plan.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, again according to the *Financial Post*, Mr. Matthews's recollection is that the Prime Minister, who was then running for the leadership of the Liberal Party of Canada, asked for $25,000 in support for his campaign.

Considering how serious the allegations made in the *Financial Post* are, and to dispel any doubt regarding his personal involvement in this matter, does the Prime Minister not think that he should commission a public inquiry into the circumstances surrounding the privatization of Pearson Airport?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, again, I never solicited funds and Mr. Matthews himself says he did not contribute a penny to the Jean Chrétien leadership campaign.

* * *

[*English*]

NATIONAL DEFENCE

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, when the Minister of National Defence announced his long awaited public inquiry into the Somalia affair he promised it would get to the bottom of all questions surrounding DND headquarters and the military hierarchy.

Former deputy defence minister Bob Fowler is at the centre of the allegations. Yet we learned that Anne–Marie Doyle, one of the three commissioners appointed to look into the Somalia incident, is a close personal friend of Mr. Fowler.

How does the Minister of National Defence plan to deal with the perception that the impartiality of the inquiry has been compromised?

• (1425)

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the three commissioners were appointed because of their knowledge of the government process and public accountability, and their breadth of experience and impartiality.

If any one of these principles is compromised in any way then the matter will be addressed.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the Reform Party is not questioning the abilities or the integrity of Anne–Marie Doyle. We are questioning the ability of the minister's staff. Surely the minister should have known about Ms. Doyle's 27–year friendship with Mr. Fowler.

This is not the first time the minister's office has dropped the ball. Last month it was the third airborne video. Last week it was the investigation of the military police. This is getting rather ridiculous.

I have a supplementary question. Who nominated the commissioners and why was the minister unaware of Ms. Doyle's 27–year connection to Bob Fowler?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the inquiry was called under part I of the Inquiries Act. Therefore it is a government inquiry and a number of government departments were involved.

As to the specifics of what the hon. member is saying in his supplementary question, I think I addressed them in my answer to the first question.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the minister continues to skate around the issue. All we really want are the facts and we want to see some impartiality surrounding the Somali inquiry. We do not want it to be compromised.

Despite the reassurances of both the minister and Ms. Doyle there is a public perception that the inquiry is no longer objective and that it will be hindered in getting to the bottom of the Somali affair.

Will the defence minister restore the integrity of the public inquiry by removing Anne–Marie Doyle immediately?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I gave the three criteria the commissioners had to have before they were appointed. One of them was impartiality.

If it is found that is not there or if there is any other call into question of the integrity of these individuals it will be addressed.

* * *

[*Translation*]

KANESATAKE RESERVE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, it was reported in the media last weekend that some individuals illegally took possession of Oka residences bought by the federal government. Apparently, these actions were based on the "might is right" rule.

How can the Minister of Indian Affairs explain that the "might is right" rule still applies in Kanesatake, and that these federal properties are illegally occupied?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I am pleased to report to the hon. member that between Judge Réjean Paul and the negotiator Michel Robert a housing authority was set up and 178 individuals were assessed on the basis of need. They were categorized. The houses have been allocated. A couple are giving problems but overall the process is working.

[*Translation*]

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, the media were not reporting minor problems but a major one, which is the illegal occupation of federal properties.

Given that the majority of honest citizens put their names on waiting lists to be allowed to live in these houses, will the Minister of Indian Affairs confirm that his officials are negotiating leases with those who took illegal possession of these properties, so as to regularize their occupancy as quickly as possible?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the situation north of highway 344 still persists. I am pleased to report to the member that because of the progress made south of 344 and the process in place based on need, we are now making some progress north of 344 which I inherited.

* * *

PEARSON INTERNATIONAL AIRPORT

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, my question is for the Prime Minister. Serious allegations are being made about the Prime Minister's role in the Pearson privatization contract.

Not only has he met on numerous occasions with parties in the Claridge group but there are now questions on whether he advised the Matthews Group in its contract bid on Pearson airport.

Will the Prime Minister indicate to the House the nature of the advice as a lawyer or otherwise given to Jack Matthews specifically or the Matthews Group generally with respect to the privatization of Pearson airport?

• (1430)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, as I said in French, I never gave advice about the privatization of the Toronto airport to anybody involved. The allegation is absolutely false.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, the Prime Minister previously suggested there is no conflict of interest with him on Pearson because he is the one who cancelled the deal.

Given that Matthews refused to donate to the Prime Minister's leadership campaign and donated instead to that of his principal competitor, will the Prime Minister submit himself to a full review by the ethics counsellor and then table that report in the House?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we never talked about it and he did not give me a damn cent. Therefore there is absolutely no conflict of interest.

* * *

[*Translation*]

KANESATAKE RESERVE

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, my question is for the Minister of Indian Affairs.

While honest citizens are eager to move into properties bought by the federal government, the normal allocation process is jeopardized by the illegal occupation of these houses. Indeed,

these Kanesatake residences are illegally occupied and the minister is aware of that.

Will the minister confirm that those who illegally and forcefully occupy these federal properties will be excluded from the waiting lists and that these lists will only contain the names of those who fully complied with the law?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, this is the same question that was just put to me. It is identical.

One hundred and seventy–eight people have been assessed. Houses have been allocated. Three or four south of 344 are causing us problems, but that is nothing like the problem I inherited. We all inherited Oka which wasted $230 million of Quebec and federal government money.

This is a much better way to deal with the problem, not to aggravate it but to negotiate in good faith and solve it.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, the minister knows that some properties are still illegally occupied in Kanesatake. He is not answering our questions.

Following the discussions he had with his negotiator, Michel Robert, can the minister tell us if the allocation of the residences bought by the federal government will take place in the near future and in compliance with the criteria set by the government?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I will answer the question directly. If my friend wants to be positive, he should go to the Quebec government and have the Quebec government recognize the peacekeepers at Oka.

* * *

HEALTH

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, my question for the Minister of Finance is with regard to the new Canada health and social transfer.

The CHST states that health care transfers to provinces may be reduced or cut off whenever the Minister of Health "is satisfied" that a province is not in line with her own interpretation of the Canada Health Act. The cabinet then gets to decide how much funding is cut from the province. This sounds like a recipe for arbitrary command from Ottawa.

Why is the formula of funding reductions not based on an impartial formula laid out in the law?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, we made it very clear that the new social transfer would incorporate the principles of the Canada Health Act. Indeed, it is those principles and those principles alone that will govern. There is no discretion. It is the Canada Health Act and that is the covenant of this government.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, it makes no sense for the government to claim that the best way to maintain the standards in the Canada Health Act is by cutting off funding every time a province tries to innovate. The Minister of Health will have the power to arbitrarily yank the plug on federal health care spending.

Can she explain to this House how this is supposed to improve the quality of health care in Canada?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the Canada Health Act remains as is. It has not nor is it meant to prevent innovation. It is meant to preserve and maintain those principles which have served Canadians very well, which Canadians expect and indeed deserve to have to protect them.

* * *

• (1435)

[*Translation*]

TURKEY

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, my question is for the Minister of Foreign Affairs. Last Friday, the government repeated that Canada was very concerned about the Turkish military offensive against the Kurds in northern Iraq and said that it would meet with the Turkish ambassador regarding the issue. Today, there is every indication that Turkey firmly intends to carry on with its forays.

Will the minister confirm whether Canada has indeed raised this issue with other NATO members, as the Minister of National Defence led us to believe last week, and will he tell us what measures Canada and NATO intend to take to make Turkey see reason?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, in reply to the hon. member's question, I can say that we have not done so.

Mr. Jean H. Leroux (Shefford, BQ): Mr. Speaker, if the minister wants to be taken seriously, at a time when it has come to light that civilians have been hurt in the Turkish offensive, does he intend to refer the matter to the UN's Security Council and to immediately suspend all negotiations regarding the sale of our CF–5 jets to Turkey?

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I have already said in this House that we were only at the preliminary stages of negotiating the sale of these airplanes and that a number of countries or potential buyers

were being considered. Therefore, the hon. member is wrong when he implies that we are pursuing advanced negotiations with Turkey. They have not reached an advanced stage at all.

[*English*]

Mr. Stan Dromisky (Thunder Bay—Atikokan, Lib.): Mr. Speaker, my question is for the Minister of Foreign Affairs. It concerns something raised regarding negotiations to sell Canadian CF–5 fighter jets to Turkey, a country which according to Amnesty International is "a serious and systemic violator of human rights".

Can the minister possibly assure this House that these Canadian planes will not be used to jeopardize the rights of innocent people?

[*Translation*]

Hon. André Ouellet (Minister of Foreign Affairs, Lib.): Mr. Speaker, I thank the hon. member for asking me a question similar to the one I just answered. I can confirm that the negotiations regarding the sale of the CF–5 jets are at a very preliminary stage. Canada is studying the possibility of selling them to a number of people who have shown interest.

I can also confirm what I just said to the hon. member, which was that there is no cause for concern with regard to Turkey, since negotiations are at a very preliminary stage and since, at any rate, the government rigorously reviews sales of this kind and obtains specific commitments from purchasing countries. Undoubtedly, we will take every action necessary to ensure that whatever country buys the jets, be it Turkey or another, it would not use them against civilians.

* * *

[*English*]

NATIONAL DEFENCE

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, the answer of the Minister of National Defence to previous questions on the Somalia inquiry were totally inadequate. The point remains whether the inquiry is or is not going to be impartial and conducted at arm's length.

Will the minister replace Anne–Marie Doyle with someone whose impartiality is unquestioned?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I already answered that question.

An hon. member: Cover–up.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, the minister's unwillingness to answer this question leaves me and others in this House to believe that something is being hidden. He is doing nothing at all to instil public confidence in the inquiry into the whole Somalia affair.

• (1440)

Will the minister restore the integrity required by the public by demanding that Anne–Marie Doyle be removed immediately?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I answered the question.

* * *

[*Translation*]

DEFENCE INDUSTRY CONVERSION

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, my question is for the Minister of Industry.

Between 1990 and 1994, Quebec lost 8,054 jobs in the defence industry, mainly in Montreal. These lost jobs account for more than half the jobs in the 40 largest military equipment companies and indicate the urgent need to set up a real conversion program. However, in the last budget, no money was allocated for this purpose.

Could the Minister of Industry explain why the government decided not to provide any money to set up a real conversion program for the defence industry, considering the promises the Liberal Party made in its red book?

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the hon. member may not have had the opportunity to consult with corporations and business associations in Quebec and throughout Canada.

Had he had the time to do so, he would have found out, as we did, that the corporations and all the business associations are against subsidies to the private sector. What they want from us is strategic information and help in finding foreign markets. This is what our government has been doing, not only through the measures contained in the budget, but also through Team Canada, which has been promoting sales overseas.

Mr. Yves Rocheleau (Trois–Rivières, BQ): Mr. Speaker, does the minister recognize that by cutting the DIPP program by $41 million, money that could be used to set up a real conversion strategy, the Montreal area will continue to lose thousands of jobs and be penalized compared to its foreign competitors for whom such programs are in place?

[*English*]

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, the hon. member is far more pessimistic than I am about the strength and capability in international markets of many of the firms in Montreal.

I happen to believe that companies have been traditionally strong in both the defence sector as well as in the dual use sector. For example, there is CAE Electronics which I visited on Friday. It entered into a new contract with the Canadian Space Agency. It is precedent setting and will be useful in helping that company

as well as the CSA provide training for use on the mobile satellite system. It goes on and on.

What companies in Canada want is advice, assistance, network connections and the support of their government in making the sales overseas that will make them successful internationally. That is what we understand, but clearly not what the Government of Quebec understands.

* * *

IMMIGRATION AND REFUGEE BOARD

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, my question is for the President of the Treasury Board.

Last week renovations that will cost $500,000 started at the Immigration and Refugee Board's University Avenue office in Toronto. This remodelling, done at a time when 45,000 civil servants are to be let go, is causing outrage in the office itself. With the downsizing of the board, even more offices will be emptied. Nonetheless, expansion is proceeding.

Will the minister immediately call a halt to this incredible waste of taxpayers' dollars?

Hon. David Dingwall (Minister of Public Works and Government Services and Minister for the Atlantic Canada Opportunities Agency, Lib.): Mr. Speaker, I will have to take notice of the hon. member's question and get him an answer as soon as possible.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, my supplementary question is for the minister of immigration.

The minister knows about this mess but as usual he has tried to pass the buck to the chair of the IRB. I have received a petition signed by 300 civil servants, many of whom work in the Toronto IRB office, demanding a halt to these wasteful renovations.

Will the minister of immigration recommend that these renovations be halted now, or will he ignore these employees like he has ignored other critical employees in the past?

• (1445)

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, it should be said that no minister ignores his or her employees. In fact it could be said that the harmony between the government and the civil service has never been higher in terms of the partnership that the government has with the public service.

Second, as the Minister of Public Works said, I too will take the question as notice because I am not aware of the specifics of which the member speaks.

JUSTICE

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, my question is for the Minister of Justice.

Today is the anniversary of the very tragic death of Nicholas Battersby in a drive–by shooting. Since then other similar incidents have occurred in our communities across the land.

Will the minister inform the House of the steps the government has taken and is planning to take to make convicted young offenders more accountable for their acts?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, as the government announced almost a year ago, our approach to youth justice has two aspects: first, immediate statutory changes to the Young Offenders Act to strengthen it, and second, a longer term, critical reassessment of the youth justice system in general.

With respect to the first matter, last February 28 the House passed at third reading Bill C–37 which is now before the other place. It represents a toughening of the statute to deal with violence and a recognition that for non–violent crime, jail should be the last resort in favour of community based rehabilitative programming.

We have doubled the maximum sentence for first degree murder. We have provided for the presumptive transfer to adult court of 16 and 17–year–olds charged with crimes of serious violence.

In the second phase of the strategy, the parliamentary committee on justice and legal affairs will later this year commence a comprehensive review of the Young Offenders Act, travelling across Canada to listen to Canadians about other improvements that can be made to the statute.

* * *

[*Translation*]

PROGRAM FOR OLDER WORKER ADJUSTMENT

Mr. Gilles Duceppe (Laurier—Sainte–Marie, BQ): Mr. Speaker, in Quebec, the fiscal arrangements provided for in the POWA agreement expire on March 31 of this year. The Quebec Minister of Employment, Louise Arel, has informed the Minister of Human Resources Development of her willingness to renew the current fiscal arrangements pending a review that would make the program more equitable for workers.

Can the Minister of Human Resources Development tell us what his intentions are regarding the renewal of the agreement with Quebec?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we are presently reviewing the program, as the Quebec minister indicated a necessity to do.

We are endeavouring to set up a meeting. We look forward to being able to share our joint assessments of these programs at such a time as a meeting can be arranged.

[*Translation*]

Mr. Gilles Duceppe (Laurier—Sainte-Marie, BQ): Mr. Speaker, for more than a year now, the minister has been promising a review of POWA, which, I would remind members, excludes a considerable number of workers.

Will the minister make a commitment to take, this year, the corrective action that has been requested since 1992 by both the previous Liberal government of Quebec and its present government?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, it is important that we do a broader assessment of the circumstances affecting older workers throughout Canada.

We all recognize it is emerging as one of the more serious concerns we have as the labour market changes. A number of workers are being dislocated from their jobs. We have to find ways of helping them to re-enter the job market and to maintain some security for themselves and their families.

As the hon. member knows, we have a number of experiments going on across the country. There is the job corps in New Brunswick. Recently we initiated a wage subsidy program under the unemployment insurance program. That is beginning this spring. It is a very important way to help older workers re-enter the job market.

I want to be in a position to be able to share the results of these initiatives with my provincial counterparts at an early date. At that time we will certainly take on board representations made by the provinces concerning how we can help older workers in the country.

* * *

NATIONAL DEFENCE

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, the defence minister's staff regularly failed to inform him of important facts until it was too late. The case of Anne-Marie Doyle is another example.

With his answers today regarding the public inquiry into the Somalia fiasco, is the minister confirming that Anne-Marie Doyle will remain as one of the three commissioners?

• (1450)

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I made an announcement last week setting up the commission. The terms of reference are broad. The three commissioners were chosen for their impartiality, knowledge of government and knowledge of the public accountability process. If any one of those people do not measure up to any of those characteristics, that will be addressed.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, here is a quotation from Anne-Marie Doyle: "It was no secret that Robert Fowler and I have been close colleagues and friends for 27 or 28 years".

It is no problem, except that it should disqualify her for the job. Will the minister do her a favour and not have a situation where a friend has to judge a friend?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I have answered this question four times in this question period. The hon. member will have to be satisfied with that answer.

* * *

THE ECONOMY

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, my question is for the Minister of Finance. It has to do with the call that the United Nations High Commissioner for Refugees has made with respect to the Tobin tax.

Given that the United Nations High Commissioner for Refugees has called on governments of the world to introduce the Tobin tax in order to finance human rights work around the globe, I wonder whether the minister is now prepared to endorse this concept and say that at the G-7 meetings in Halifax the Canadian government will be putting forward a proposal in this regard.

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the Tobin tax, as the hon. member knows, is quite an imaginative approach to both the financing of international obligations as well as the problems arising from speculation.

There are some problems with the Tobin tax, not the least of which is that unless it is applied on a worldwide basis it will not work. It would simply give rise to ways around it and other forms of financial instrumentation. For that reason the debate will continue.

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, while the debate continues I wonder if the minister could tell us what the Canadian position is with respect to how the debate should proceed.

Will the Canadian government be looking for ways to do this that meet some of the concerns of the minister? Will the Canadian government, when it gets to Halifax, and in other international fora, be putting forward proposals for creating a financial world order in which the power of speculators to destabilize national and regional economies will be contained?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the principal purpose of the Halifax summit, which is to take a look at possible or necessary reforms to international financial institutions, primarily the Bretton Woods institutions, is going to be first and foremost on the agenda. That will be a wide–ranging discussion and it would not be incumbent upon me to limit it here.

* * *

TRADE

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, sugar beet producers are concerned that negotiations to open the U.S. border to Canadian sugar exports are being put on hold pending the Revenue Canada investigations into allegations of sugar dumping by the U.S. and Europe.

My question is for the Minister for International Trade. Can the minister assure the House that negotiations are still being pursued even during the Revenue Canada investigations?

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, the discussions that were held on March 16 were part of an ongoing process of consultation with the United States. When we have had a chance to review further the United States information and material given to us on March 16, we will again be consulting the United States.

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, my supplementary question is for the same minister.

Could he indicate what approach the government is taking with regard to sugar? Is sugar being negotiated as one commodity alone, or is it a commodity being negotiated with a package of goods relative to the GATT?

Hon. Roy MacLaren (Minister for International Trade, Lib.): Mr. Speaker, the question of sugar is being negotiated alone.

[*Translation*]

LA RELANCE JOB SEARCH PROJECT

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

The federal government has just granted a subsidy to the job search project *La Relance* in order to help young people with no income find a job. Until now, the Department of Human Resources Development had funded only the program for young unemployed workers.

How can the Minister of Human Resources Development explain his department's decision to give financial assistance to *La Relance* when it withdrew funding from *Carrefour Jeunesse–Emploi* because that centre dealt with young welfare recipients?

• (1455)

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we did not withdraw funding from the Carrefour Jeunesse. In fact the department is supplying something like $200,000 worth of project support this year.

As far as the project Relance is concerned, we are providing an additional $20,000 at the end of the year to make up a backlog of cases. I am not sure why the hon. member would be so critical of any attempt to help young people in the province of Quebec.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, am I to understand from the minister's answer that, from now on, he intends to support all groups pursuing the same objectives, whether they deal with people on unemployment insurance or with people who do not receive unemployment insurance benefits?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, as I have said in the House before, in the spirit of the new federal philosophy of decentralization where we want to give far more responsibility to our officers at the local region who make decisions about their priorities, we will be responsive to those kinds of decisions.

It indicates a new kind of federalism. We want the programs to be tailored to the actual needs and priorities as determined by people working in those communities.

FIREARMS

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, a Court of Queen's Bench in Alberta has found the orders in council passed by the past Tory government pertaining to firearms legislation to be invalid because section 116(2) of the Criminal Code had not been adhered to.

My question is for the justice minister. Why has he followed the same procedure in passing orders in council before Christmas, a procedure that has been declared invalid by the courts of this land and has not worked its way through the appeal courts? Why did the minister choose to follow a procedure that has been declared invalid by the courts?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the judgment that has been referred to is under appeal because the federal government believes at first instance it was simply wrong. Without meaning any disrespect to the court, we have every confidence in the validity of the order in council.

The appeal is pending yet government must continue. The government has exercised an authority which it believes has been done validly and lawfully in the best interest of the public.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, I understand the response of the justice minister. However, he could have followed the procedure outlined in section 116 of the Criminal Code. I observe that in Bill C–68 he has made that provision.

Why would the minister not follow the procedure set out in the Criminal Code and have the orders in council passed by the elected representatives of the people as section 116 of the Criminal Code demands and as the Court of Queen's Bench in Alberta has indicated is a valid procedure?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it is because that section is not relevant to this exercise.

Two sections in the code speak of orders in council. One has to do with the general power on the part of government to prohibit. That order in council need not be placed before the House. The second and different kind of order in council deals with such matters as regulation, fees, businesses selling firearms. Those orders in council must be placed before the House.

We have distinguished between the two. We are confident of the validity of the steps we have taken. We feel in good faith the judgment at first instance in Alberta was wrong. We will pursue the appeal with every confidence that we shall win it.

EDUCATION

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, my question is for the Minister of Industry who is responsible for the—

Some hon. members: Oh, oh.

Mr. Charest: Mr. Speaker, as usual I am flattered by all of the attention.

My question is for the Minister of Industry who is responsible for the Canada scholarship program for science and engineering students. The government's main estimates in 1995–96 said the "program was very successful in encouraging Canadian students, particularly women, to enter and stay in post–secondary science, engineering and technology studies".

Given the evaluation and the success of the program with the private sector and the rhetoric of the government on post–secondary education and R and D, why did the minister cut the program?

• (1500)

Hon. John Manley (Minister of Industry, Lib.): Mr. Speaker, I am always happy to receive a question from the leader of the fifth party, particularly one who will know that the funding for the Canada Scholarship Plan has been fulfilled to the extent that it was approved and put in place by the previous government. Nothing was cut. Rather the funding accorded by the previous government has run out.

I would like him to know that we are working very hard to find means to supply the Canada Scholarship Program in other ways and perhaps with the participation of the private sector so that a program like this is able to continue.

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, I have a supplementary question.

Given the fact that the government will not continue to reward the excellence of students in the area of science and post–secondary education, my question is for the Minister of Human Resources Development.

Why is it that his department has not continued a stay in school program that seeks to help young Canadian men and women to pursue their studies so that we as a society can do everything we can for young men and women to obtain all the skills they need in their lifetime to participate fully in Canadian society? Why has he cut that program?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, we were put in the unfortunate position that the previous government had only provided limited five–year funding. I have made a special effort in the past year to

provide an extension of the funding so that I could then use the time to begin to recruit the assistance and enlistment of the private sector.

We have been able to obtain a number of private sector sponsors as part of the stay in school program. Next fall when the new national basketball association team opens up in Vancouver and Toronto the stay in school logo will be part of its promotion. It has become one of the major sponsors of the program.

It shows we are interested in maintaining the very valuable necessity of keeping our young people in school.

* * *

UNEMPLOYMENT INSURANCE

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, congratulations are in order to the hon. member for Restigouche—Chaleur on his private member's bill which will allow UI claimants to serve on jury duty without losing their benefits.

Could the Minister of Human Resources Development assure us that there will be no delay in implementing the measures and that individuals receiving UI will be immediately entitled to their benefits while serving on a jury?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I certainly join in congratulating the hon. member for Restigouche—Chaleur who for the first time has established a precedent. His private member's bill has not only received royal assent but royal recommendation for the spending of government money.

I am pleased to report to the House that with its passage yesterday in the Senate and the giving of royal assent, at two minutes past midnight this morning all persons asked to serve on jury duty who receive UI benefits can continue to collect them.

* * *

PRESENCE IN GALLERY

The Speaker: I draw the attention of hon. members to the presence in the gallery of the Hon. Simon Upton, Minister for the Environment, Research, Science and Technology and Minister for Crown Research Institutes of New Zealand.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 25 petitions.

* * *

• (1505)

[*English*]

PETITIONS

HUMAN RIGHTS

Mr. Gar Knutson (Elgin—Norfolk, Lib.): Mr. Speaker, I have six petitions with a total of 471 names to present.

The petitioners are praying and requesting that Parliament not amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships or homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

CANADIAN BROADCASTING CORPORATION

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, I should like to table a petition signed by over 2,000 Canadians from the Niagara peninsula, Hamilton, London, Burlington, Toronto and surrounding areas, and other Ontario cities.

The petitioners call on Parliament to condemn the actions of the Canadian Broadcasting Corporation in its application to televise the Paul Bernardo trial.

VIOLENT OFFENDERS

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I rise to present a petition in a course of action undertaken on behalf of constituents who wish to halt the early release of Robert Paul Thompson from prison.

The petitioners I represent are concerned about making the streets safer for citizens. They are opposed to the current practice of early release of violent offenders prior to serving the full extent of their sentences.

The petitioners pray that our streets will be made safer for law–abiding citizens and the families of the victims of convicted murders.

[*Translation*]

VOICE MAIL TECHNOLOGY

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, I would like to present a petition from citizens of Trois–Pistoles who consider that voice mail technology must be rejected, and who call upon Parliament to ask the government to

abandon its projected use of voice mail with senior citizens, since they do not feel they get adequate service especially when dealing with income security matters.

[*English*]

HUMAN RIGHTS

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, pursuant to Standing Order 36 I want to present a petition organized by Suzanne MacDonell, one of my constituents.

The petitioners request that Parliament not amend the Canadian Human Rights Act or the charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships or homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase of sexual orientation.

Not only am I pleased to present the petition but I endorse it as well.

ASSISTED SUICIDE

Mr. Clifford Lincoln (Lachine—Lac-Saint-Louis, Lib.): Mr. Speaker, I should like to present a petition signed by 40 electors from my riding and surrounding regions.

They ask that Parliament ensure the present provisions of the Criminal Code of Canada prohibiting assisted suicide will be enforced vigorously and that Parliament make no changes in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

HUMAN RIGHTS

Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.): Mr. Speaker, pursuant to Standing Order 36, I present a petition signed by approximately 60 people from Saskatchewan.

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

GUN CONTROL

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I have a petition from in and around the city of Winnipeg.

The petitioners request that Parliament support laws that will severely punish all violent criminals who use weapons in the commission of a crime, support new Criminal Code firearm control provisions that recognize and protect the rights of law-abiding citizens to own and use recreation firearms, and support legislation that will repeal and modify existing gun controls that have not improved public safety.

HUMAN RIGHTS

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I have several petitions to put before the House from constituents in Langley, Aldergrove and Abbotsford, British Columbia.

They first request that Parliament not pass Bill C-41 with section 718.2 as presently written and in any event not include the undefined phrase of sexual orientation as a behaviour people engage in does not warrant special consideration in Canadian law.

GOVERNMENT EXPENDITURES

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, my second petition requests that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending.

GUN CONTROL

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, my third petition calls upon Parliament not to enact any further firearms control legislation, regulations or orders in council.

HUMAN RIGHTS

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I have another petition to present. It calls upon Parliament to oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms that provide for the inclusion of the phrase of sexual orientation.

All the petitions I do so endorse.

Mr. Ian Murray (Lanark—Carleton, Lib.): Mr. Speaker, I have two petitions to present to the House today pursuant to Standing Order 36.

• (1510)

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

NATIONAL HIGHWAYS

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, I rise to present three petitions.

The first one was signed by 26 people from Killarney, Manitoba. The attention of the House is drawn to the fact that 38 per cent of the national highway system has fallen below accepted standards and that the benefits of the proposed national highway program are numerous.

The petitioners call upon Parliament to request that the government support all measures to make the national highway system upgrading possible.

HUMAN RIGHTS

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, the second petition was signed by 31 people from the Brandon—Souris area.

It calls upon Parliament to amend the Canadian Human Rights act to protect individuals from discrimination based on sexual orientation.

ASSISTED SUICIDE

Mr. Glen McKinnon (Brandon—Souris, Lib.): Mr. Speaker, the third petition was signed by individuals from Cromer, Oak Lake, Kenton and Virden.

They call upon Parliament to ensure that the present provisions of the Criminal Code that prohibit assisted suicide be vigorously enforced and that Parliament make no changes in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, I have a petition signed by 40 people from my riding to present.

They pray and call upon Parliament to ensure that the present version of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no change in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

I concur with the petition.

RIGHTS OF THE UNBORN

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, I have another petition signed by 40 people to present.

They pray and call upon Parliament to act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

HUMAN RIGHTS

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, the next petition was signed by 112 people from my riding.

They pray and call upon Parliament not to amend the human rights code, the human rights act or the charter of rights and freedoms in any way that would tend to indicate societal approval of same sex relationships or homosexuality.

I concur with all the petitions.

JUSTICE

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, the first petition I wish to present calls upon Parliament not to allow drunkenness as a defence.

GOVERNMENT EXPENDITURES

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, the second petition I am introducing calls upon Parliament to reduce government spending instead of increasing taxes.

HUMAN RIGHTS

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, the third petition speaks in favour of inclusion of sexual orientation in the Human Rights Act.

YOUNG OFFENDERS ACT

Mr. Monte Solberg (Medicine Hat, Ref.): Mr. Speaker, the final petition I wish to present calls for stiffer sentences under the Young Offenders Act.

HUMAN RIGHTS

Mrs. Rose-Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, I wish to table two petitions signed by the constituents of Lambton—Middlesex and surrounding areas that have been duly certified by the clerk of petitions pursuant to Standing Order 36.

In the first one the petitioners call upon Parliament not to impose any amendments to the Canadian human rights act or the charter of rights and freedoms that provide for the inclusion of the phrase sexual orientation.

JUSTICE

Mrs. Rose-Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, in the second petition the petitioners request that the Criminal Code of Canada and other relevant acts be amended so that extreme drunkenness as a defence in any criminal case could not be used.

ASSISTED SUICIDE

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I wish to present three petitions on behalf of the constituents of Simcoe Centre.

The first petition is on the issue of euthanasia. The petitioners request that Parliament not sanction or allow the aiding or abetting of suicide or euthanasia.

HUMAN RIGHTS

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the second petition deals with the issue of sexual orientation.

The petitioners request that the Government of Canada not amend the human rights act to include the phrase sexual orientation.

The petitioners fear that such an inclusion will lead to homosexuals receiving the same benefits and societal privileges as married people.

GOVERNMENT EXPENDITURES

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the third and final petition is from my riding and it is quite timely. It was collected by small businessmen from my riding, including Mr. Don Campbell, Ms. Helen Russel, Dr. John Hunter, Ms. Karin Knitter, Mr. Dan Mallory, Mr. Michael Douglas and Ms. Faye Chappell.

The petitioners request that with Canadians already overburdened with taxation due to high government spending Parliament should reduce government spending instead of increasing taxes.

ASSISTED SUICIDE

Mr. Guy H. Arseneault (Restigouche—Chaleur, Lib.): Mr. Speaker, the petition has been certified correct as to form and

content according to Standing Order 36. It has been signed by a number of constituents from Restigouche—Chaleur.

The petitioners pray that Parliament ensure the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law that would sanction or allow the aiding or abetting of suicide or active or passive euthanasia.

• (1515)

GUN CONTROL

Mr. Grant Hill (Macleod, Ref): Mr. Speaker, I have two petitions today. The first one states that Parliament should bring in gun control measures that are effective, not ones that pick on legitimate sportsmen.

GOVERNMENT SPENDING

Mr. Grant Hill (Macleod, Ref): Mr. Speaker, the second petition asks Parliament to bring in taxpayer protection to limit federal spending.

I wholeheartedly concur with both petitions.

HUMAN RIGHTS

Mr. Peter Milliken (Kingston and the Islands, Lib): Mr. Speaker, I am pleased to rise to present a petition today signed by numerous residents of the province of Ontario, many from Kingston, some from Toronto, Waterloo and Thornhill.

The petitioners pray and call upon Parliament to put an end to discriminatory treatment in Canada of gay and lesbian citizens and their familiar relationships by amending federal legislation which currently allows unequal treatment, including an amendment to the Canadian Human Rights Act to prohibit discrimination based on sexual orientation.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, if Question No. 121 could be made an Order for Return, the return would be tabled immediately.

The Deputy Speaker: Is that agreed?

Some hon. members: Agreed.

[*Text*]

Question No. 121—**Mr. Strahl:**

With regard to all departments and agencies of the government, what were the numbers of air flights taken during the fiscal year 1993–94 by department/agency, what is the total cost of air travel by department/agency, how many of those flights were business class and how many were economy class by department/agency, and what was the proportionate cost of business versus economy class, again by department/agency?

Return tabled.

[*Translation*]

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

The Deputy Speaker: Is there agreement?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

ELECTORAL BOUNDARIES READJUSTMENT ACT, 1995

The House resumed consideration of Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries, as reported (with amendments) from the committee.

MOTIONS IN AMENDMENT

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.) moved:

Motion No. 1

That Bill C–69, in Clause 3, be amended by replacing line 17, page 2, with the following:

"electoral districts in the province varies by 15".

Mr. Milliken: On a point of order, Mr. Speaker. I think you would find the consent of the House, to save time, that we dispense with putting the question to the House on Motions Nos. 2, 3, 5 and 7, and that they be deemed to have been put to the House as we did on Saturday morning in respect of the other bill.

Mr. Hermanson: Mr. Speaker, could I have further clarification on exactly what is being suggested here?

[*Translation*]

Mr. Milliken: Mr. Speaker, I would ask that the motions be taken has having been read before the House, rather than having the Speaker read each of them.

The Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

Motion No. 2

That Bill C–69, in Clause 4, be amended by replacing line 2, page 3, with the following:

"in the province varies by less than 15 per"

Motion No. 3

That Bill C–69 be amended by deleting Clause 5.

Motion No. 5

That Bill C–69, in Clause 19, be amended:

(a) by replacing lines 24 and 25, page 11, with the following:

"for province shall, subject to subsection (1), be governed by the following rules:" and

(b) by replacing line 34, page 11, with the following:

"than 15 per cent from that quota, which"

Motion No. 7

That Bill C-69, in Clause 19, be amended by deleting lines 28 to 42, page 12.

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, here we are again on Bill C-69 which started out as Motion No. 12 or 13 some time ago when there was a revolt on the Liberal backbenches because they saw some new maps which changed the boundaries of their ridings shortly after the last election.

Now we are at the stage where we have a new readjustment act nearing its final stage of debate. We are at report stage. There will be third reading and then it will go to the Senate.

We have proposed several amendments but they can be categorized in two major groups, the first being Motion No. 5 which has implications to Motions Nos. 1 and 2. Motion No. 7 is the other. Motion No. 5 is related to Motion No. 7.

These amendments are proposed to bring Bill C-69 into line with the principle of equality of vote. First, the population range within which constituencies are allowed to vary from the provincial quotient should be reduced from plus or minus 25 per cent to plus or minus 15 per cent. Second, whatever variance is in place should be an absolute limit.

Our second group of amendments takes away the discretion of the boundary commissions to exceed the limit in exceptional circumstances. It relates to clause 19(2) which sets the variable quotient at 25 per cent. Our amendment reduces the quotient to 15 per cent. This change is listed as our amendment No. 4.

• (1520)

Our first and second amendments are consequential to this change and are necessary for the continuity in legislation. They appear earlier in this bill which is why they must be dealt with first, even though they are consequential.

Let me touch on the reasons for moving to a 15 per cent variance in the population quotient for a province. Large variances in the population of constituencies are basically unfair. Constituencies significantly lower than the provincial average population are over represented in Parliament. Because the number of seats within a province is fixed, if one group is over represented another group must be under represented. This unfairness cannot be entirely eliminated but it must be greatly reduced to tighten the variance.

Many jurisdictions would see a variance of even less than 5 per cent. Certainly we are being most reasonable when we suggest the variance be limited to plus or minus 15 per cent of the provincial norm.

Equality of voting power is already stretched because our Constitution provides more seats in certain provinces than they would ordinarily receive based solely on their population.

A 25 per cent variance allows for constituencies to be established with up to a 67 per cent difference in population as of the time of census. Redistribution occurs three to four years later. The population variance could be even greater by the time redistribution is done. By contrast, a 50 per cent variance allows for a 35 per cent variance in population of the ridings within the same province.

A 35 per cent difference in population gives enough discretion to the boundary commissions to allow for considerations such as reasonable criteria regarding community of interest, rapid growth and the concerns of rural areas.

Allowing a 67 per cent difference in the population creates too much opportunity for drawing boundary lines around linguistic, cultural and ethnic communities. It is important that all aspects of electoral law treat all citizens equally regardless of race, gender, culture, religion or ethnicity. A tighter variance encourages the equitable treatment of all citizens by the boundary commissions.

Unusually large ridings do not need significantly lower populations to make them workable. There are other ways to accommodate those members and their constituents; for example, slightly larger office budgets or extra staff for travel. Increased use of communications technology can negate the need for some of the travel. When interconstituency travel is necessary, additional travel points can be used for travel within extremely large constituencies.

One complaint we heard over and over again primarily from Liberal backbenchers and also from a few of the Bloc Quebecois MPs at the committee was they were concerned about the unmanageability of their large rural constituencies. They seemed to feel that putting at risk the high standards we hold for the quality of voting power of Canadians was a worthwhile sacrifice to maintain their rural ridings at their present sizes. Some argued they were too large and should be made smaller.

The House of Commons is built on the principle of representation by population, not representation by geography of region. It therefore stands to reason that if any given area loses population, either in absolute terms or relative terms, on principle the number of MPs should also decrease.

It is important to tighten the variance used by the majority of constituencies because the legislation also proposes allowing special case ridings to exceed the population limits. A large variance in the exception rule is individually bad. In combination they weaken the concept of voter equity to the point at which it is almost meaningless.

A number of rural MPs were concerned about the geographic size of the ridings they had to represent. A smaller but also a strongly supported argument before our committee was that the urban ridings were growing so quickly they also became unmanageable for their members. It was rather odd to see urban and rural members arguing for two different clauses in section 19 of the bill which were at counter purposes to each other, both hoping they would be able to protect their own turf.

• (1525)

What this points out more than anything else is the importance of members not being on the front lines of negotiations when boundary lines are being drawn. In many instances members showed a rather sad self–interest in the whole process. They wanted to maintain the status quo because they wanted to maintain their own riding boundaries so they would be more comfortable. This is natural but that does not mean it is correct.

The other issue that we took exception to is clause 19(3), which allows boundary commissions to go beyond the minus 25 per cent rule. If the plus or minus 25 per cent rule was not enough, this clause actually allows the commissioners to exceed that variance and put additional ridings under a schedule. Our amendment deletes this entire clause. This makes the population variance an absolute number. This is listed as amendment No. 7, and amendment No. 3 is a consequential amendment to this change.

There are reasons for opposing exceptions to the rules. Allowing boundary commissions to exceed the population limits for constituencies makes whatever variance is in the act meaningless. If boundary commissions are permitted to exceed the limit any time they want, why have a limit? It would be like being allowed to exceed the speed limit if it were for a good reason.

The increased over representation caused by exceeding the minimum population defined by the variance would create more under–representation elsewhere in the province and that would stretch voter equity even further.

There are very few ridings under the schedule now. Many MPs were arguing there should be more. They were saying: "My riding is not under the schedule at the current time. I would sure like it to be there. Let us make sure that we draft a piece of legislation that allows for my riding to be included".

We saw many from northern Ontario. We saw a very interesting amendment in the Order Paper. Fortunately it has been withdrawn. It stretches believability that some members from northern Ontario could be so protective of their turf and not want to lose their riding, even though the population of Ontario dictates that should be the case. We saw the same ridiculous arguments from the province of Quebec and the separatists. It is funny that the Liberals and the separatists should be speaking from the same page on this one, both trying to represent sparsely populated rural ridings, trying to put them on the schedule for partisan purposes. It is very unfortunate.

If exceptions to the rules are included in the legislation, everyone with a rural or northern riding will be trying to prove they deserve to be exempted. This will create difficulties for the commissions which will be faced with many costly and time consuming appeals for exceptions.

Liberal backbenchers may again demand the maps be redrawn to their liking if they do not get all the exempted ridings they want. It will be very interesting to see the response of many of these members when they see the new maps, yet again for the second time, and see their concerns were not addressed. We simply cannot draw the boundaries where they were the last time when redistributing the ridings.

If the 25 per cent variance has already passed for ridings within the same province, which will already be allowed to vary by 67 per cent, no further allowance can in any way be justified as necessary to meet the unusual circumstances.

We have in one end of the country Labrador. It is a scheduled riding because it is not a part of the island of Newfoundland. That seems to be justification for this large rural riding to be set apart. We see on the other coast the riding of North Island—Powell River. The boundaries of that riding are partly on the island but extend to the mainland. It is rough, wild, natural terrain, beautiful country. Why should there be two sets of rules, particularly if we have a variance of plus or minus 25 per cent to begin with?

If exceptions are allowed some ridings within the same province could be established at the time of redistribution which would double the population of others. In Newfoundland the difference between the largest and smallest riding population is well over 300 per cent, more than triple. Labrador has about 30,000 people and St. John's West has 101,000. Is that kind of distribution of voting power fair to the people of St. John's? No, it is not. That needs to be looked at.

This legislation will encourage that practice to continue, rather than discourage it because it has the very broad term extraordinary circumstances. Of course, extraordinary can be interpreted just about any way the commission feels reasonable. There is very little direction in this act as to what extraordinary circumstances are as far as isolation and difficulty of accessibility are concerned.

• (1530)

In Ontario the last distribution map stayed within the plus or minus 25 per cent limit. However, the difference between Algoma and Scarborough North, the smallest and largest populations, is 42 per cent.

One of the reasons the Liberals squashed those redistribution maps is they said the maps were unfair to the north. In other words, there already was an inequity of 42 per cent between the most populous riding and the least populous riding in the province of Ontario with the maps brought forth last year. However, that is not enough. They want a greater discrepancy than that. Forty–two per cent is not acceptable to either the large rural ridings of the north or to the urban ridings, particularly those close to Toronto.

Now the Liberals want to put these ridings into the schedule. They want the difference to be greater; they want more than a 42 per cent variance in the province of Ontario. That is not good representation for the voters of Ontario and certainly is not good for all Canadians.

Mr. Speaker, I am not sure how you are going to be ruling on the Bloc amendment so I will not be able to speak to it at this time. I hope I will be able to because there are some democratic principles in place.

I hope the Liberals will come to their senses and support these amendments. For the betterment of the country, let us finally see them do the right thing, the thing they argued in committee was right but what they then backed away from and voted against, only to bring in an inferior bill.

[*Translation*]

The Deputy Speaker: Since there is no speaker on the governement side, I give the floor to the member for Bellechasse.

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, I listened very carefully to the comments by the member for Kindersley—Lloydminster. I was very surprised to hear him say that the hon. member for Cochrane—Superior, who made a first rate presentation before the procedure and House affairs committee, had ulterior motives. He defended not only the interests of his riding, but a global vision of rural Canada, which has been slowly emptied of its population and has had to have its boundaries redrawn.

It is with great pleasure that I acknowledge the presentation made by the member for Cochrane—Superior to the procedure and House affairs committee, which revealed, among other things, how difficult it was to work with a schedule, and showed that it would probably be better to include a clause in the bill dealing with the special circumstances resulting from geographical isolation. I will come back to these points in a moment.

The hon. member for Kindersley—Lloydminster seems to believe that the history of Canada started on October 26, 1993, the day he was elected to this House. Since the beginning of Confederation, we have had nine constitutions, including the 1982 Constitution. If the member had looked at the British North America Act, he would have found that the first schedule to this act deals with the electoral districts of Ontario. The 82 electoral districts are listed in there, and what do we find?

That, in 1867, the founding fathers had decided that electoral boundaries would essentially be determined by county. Therefore, in 1867, counties became the basis for representation throughout Eastern Canada, which included Ontario, Quebec, New Brunswick and Nova Scotia. People's sense of belonging started with their county. Suffice it to list the constituent counties of 1867. I will name the first nine only. They are the counties of Prescott, Glengarry, Stormont, Dundas, Russell, Carleton, Prince Edward, Halton and Essex. The list goes on, because there are 82 of them. When a county had to be divided, because the population was too large, it was indicated. However, the territorial division, and people's sense of belonging found expression in the county, as clearly established in the British North America Act.

• (1535)

The riding I now represent, Bellechasse, comprises four counties: Dorchester, Bellechasse, Montmagny and L'Islet. In the past, it was represented by four members in this House—one for each county. Nobody threw stones or threatened to blow things up because representation varied from one riding to another.

It was in 1964, when we began to no longer use the county as the basis for representation in the House of Commons, that we upset the whole system. Now people, wherever they live in Canada, have a hard time identifying with their electoral ridings, which have changed, naturally, because of significant shifts in population.

We believe in the principle of representation by population, to start with, but in a tempered form, which must reflect the history of Canada and the fact it started out as a rural country and remained so for a very long time. People drifted toward the cities, but their first loyalties had been to the rural areas in each of the provinces of Canada—in the Atlantic, in Quebec, in Ontario or in the western provinces.

Today, of course, there are fewer people in the rural ridings and an adjustment must be made. However, does it have to be to the third decimal point to avoid there being any variation between provinces or between ridings? Should we work towards the 15 per cent proposed by the hon. member for Kindersley—Lloydminster, or should we stick to the traditional way of doing things in this country, a tolerant and open–minded electoral system which for the fact that the number of voters in a riding which is made up of 50 or 60 different communities is per force much lower, while at the same time allowing for the boundaries

of a given urban riding to be modified to take in new constituents subsequent to an extension to one of this riding's main arteries into what would have been another riding and would have divided a natural community?

We should decide on a case by case basis, determine whether the social fabric is homogenous in a given urban riding and whether adding a block or two would upset anything. If the fabric is not homogeneous in another urban riding, for example, if there is a variety or a mosaic of populations to be represented, the situation is different. Let us avoid generalizations and the Reformers' approach which is to generalize everything, level off both peaks and valleys any way they can and split hairs in their counts. It is an approach, an attitude which, from the point of view of legislation and electoral representation, we believe is to be condemned.

We would much prefer living with a variation of 25 per cent between ridings. But the Reform Party goes much further. It would like to drop subclause 19(3), which would permit commissions to allow a variation of more than 25 per cent because of geography, geographic isolation or inaccessibility. Obviously, we cannot agree with the Reform Party's proposal.

This would rule out a separate riding for the Magdalen Islands, considerably expand the riding of Manicouagan in Quebec, affect the riding of Cochrane—Superior, the riding of Nickel Belt, all of northern Ontario, as well as his own riding. The hon. member may have a death wish, but you can be sure that I will not fly in his plane.

In our opinion, clause 19.(3) is an inadequate safeguard. What we proposed in committee was to maintain the current situation allowing the commissions to depart from the rules on the 25 per cent variation every time they see fit to do so for reasons related to a community's special characteristics or the various interests of people in different parts of the province. The government has considerably reduced the impact. The commission will now be able to deviate by more than 25 per cent, but only below that percentage. This means that it cannot go above 125 per cent. Therefore, this criterion is also inadequate in a homogeneous urban riding.

• (1540)

As you can easily understand, Mr. Speaker, there is no way we can support either of the amendments proposed by the Reform Party of Canada. Could you tell me how much time I have left?

The Deputy Speaker: I was not in the chair this morning, and have been advised that we are debating Motions Nos. 1, 2 and 3; Motion No. 6 has been withdrawn; the Speaker will rule on the acceptability of Motion No. 4 momentarily. You should therefore have enough time to finish your speech.

Mr. Langlois: Mr. Speaker, what are we to make of a political formation, namely the Reform Party of Canada, which calls for a triple E Senate where the provinces would each be represented by six senators—every one of them, from Prince Edward Island to Quebec, to Ontario, to British Columbia—regardless of their relative population, but not when it comes to representation in the House of Commons? They would like to make this House as uniform as possible, with every member exactly the same height. If they could all come in a five foot eleven and 172 pound format, that would perfect. That is pretty well what the Reform Party of Canada is suggesting.

The Reform Party had better make up its mind. How can it be for a triple E Senate, with six senators representing 120,000 people in one case and the exact same number of senators representing Ontario, the largest province in Canada, with 30 per cent of the total population? This does not make sense. Either the Reformists are for equal representation or they are not. Somehow they manage to be both at the same time.

I hope that Reform members will rise on this issue and elaborate on their view of a tripe E Senate, while the House of Commons can function very well with a deviation of plus or minus 25 per cent.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, so far I agree with the position of the hon. member for Bellechasse concerning the amendments put forth by the hon. member for Kinderley—Lloydminster. I am pleased to speak after him in this debate because he has set out so clearly the major aspects of this issue.

[*English*]

I also want to make my own point to the hon. member for Kindersley—Lloydminster. I know he has had lots of practice in making that speech.

We considered this question in committee in the days of when we were deciding what to do. The House had a debate on this issue in referring the matter to the committee. The issue was first raised then. We studied it in committee and made a report to the House. We had a motion for concurrence at which time this was one of the hotly debated issues and we heard the hon. member for Kindersley—Lloydminster then.

We had a bill for second reading which was passed without debate, but then in committee we went back into this issue as we studied this clause in the bill. We made some changes that the hon. member for Kindersley—Lloydminster did not like. I see that one of his amendments is to delete those good changes.

Then we come back to the House and here we have it again. I will lay dollars to doughnuts that we are going to hear the same debate from the hon. member on third reading. He is persistent, I grant him that and he has had lots of practice giving his speech.

I enjoyed his remarks this afternoon. I know he had hoped he had convinced me that we should agree to some changes in this part of the bill and accept his amendments. I do not agree with the amendments he has put forward and I want to give him, the

House and Canadians the reason the government is not agreeing with these amendments.

I listened to the evidence. After hearing all the evidence, I came to my conclusion. It is a good conclusion and I invite the hon. member to support it.

What he said was that as a result of the changes in this bill voter equity was almost meaningless. I have to disagree with that. The essential principle dealing with redistribution in Canada is set out in clause 19(1) of this bill. If he goes back to that basic principle, I think he will agree with me that what we did was right. It says:

> The principle that shall guide each commission in preparing a report is that effective representation be the paramount consideration in determining reasonable electoral district boundaries in the province for which the commission is established.

• (1545)

As a person who represents a mixed rural and urban riding, but almost all urban, I would have expected that equality would require every riding in Canada to be the same size in terms of the number of electors.

Mr. Bernier (Mégantic—Compton—Stanstead): In principle.

Mr. Milliken: In principle. I recognize the principle of effective representation, which is the principle we are striving for as set out in section 19 of the act. Coincidentally it is the principle enunciated by the Supreme Court of Canada in its decision with respect to redistribution in the province of Saskatchewan, where the hon. member for Kindersley—Lloydminster resides and which he knows quite a lot about I suspect. The principle demands that in determining effective representation one looks at more than the number of electors residing in a particular geographic area.

We looked at this. We looked at Canada as a whole. We looked at the maps and we heard from members of Parliament from across the country who came to the committee and expressed their views on what effective representation meant. They told us about the problems they have in representing electors in some of the remote ridings.

Strangely, the hon. member for Labrador did not come. Yet it is one of the ridings that has been accepted for some time as a separate riding under the current redistribution rules. He did not come to complain to the committee that he had grave difficulty in representing his riding. Some of us know some of the problems he has.

The hon. member for Nunatsiaq who has over one million square kilometres in his riding—one-third of the country is in his constituency—did not come to the committee to complain about the problems he faces. However, there is not much he can do. He has a small population but they are scattered over an area that would make most of us blush—

Mr. Hermanson: Tell the whole story.

Mr. Milliken: I am telling the whole story. He has a special case. He had a special riding created. The Northwest Territories is assigned two ridings under the Constitution. It will keep those two. They are going to be small for awhile. Some day maybe they will not be, but for the moment they are small.

Looking at the rest of the country we have tremendous diversity. The hon. member for Kindersley—Lloydminster in his speech mentioned British Columbia. There are significant differences in population in ridings in British Columbia. I do not think there were any in the last proposals put forward by the commission that were exceptions in that province. There may have been one before but I do not think so. I do not think there was in 1987 either. Yet still there is a fair variation.

The commissions in the province of Saskatchewan drew the boundaries very close to the limit. They stayed very close to it so there is not a big discrepancy. I congratulate the commissions on their work. However, in some provinces it is hard to do that. In some it is harder than in others. The size of the provinces of Ontario and Quebec, for example, has resulted in a difference of view as to whether we should have a 15 per cent limit or a 25 per cent limit in variation. The bill proposed 25; the hon. member in his amendment is proposing 15.

I suggest that his doom and gloom scenario, his suggestion that "voter equity would be almost meaningless" is not correct. Under the previous law where 25 per cent was the variation, in 1987 there were five constituencies in all of Canada that were beyond the 25 per cent limit, either above or below. One was above, four were below. That is five constituencies out of 295. It is not something that renders voter equity almost meaningless, as suggested by the hon. member.

In the 1994 redistribution proposals that the commissions completed that the hon. member for Kindersley—Lloydminster says were so unpopular with Liberal members and I say were unpopular in large part with his own—he does not like to talk about that—

Mr. Hermanson: No. How many appeared before the committee?

Mr. Milliken: No, he says. Yes, I say to him. He knows perfectly well that many of his members were quite unhappy, almost weepy at the proposals that were put forward by the—

Some hon. members: Oh, oh.

Mr. Milliken: Now I hear them laughing because they do not like to think of them weeping, but a few months ago it was not quite that way.

The fact is there were two ridings in all the 1994 proposals that were above or below the 25 per cent quotient.

This is not a case of rendering voter equity almost meaningless. For the hon. member for Kindersley—Lloydminster to engage in that kind of rhetoric is not something I would expect of him. I am sure he did not really mean what he said.

Mr. Hermanson: You were arguing the same thing in committee.

Mr. Milliken: No. I want to turn to the words of the act itself because I think this is important. I do not normally like to read statutes in the House because it is pretty tedious.

• (1550)

I would like to quote from the old Electoral Boundaries Readjustment Act that dealt with the power of commissions to go beyond the 25 per cent rule. It stated as follows:

> The commission may depart from the strict application of the rules set out in paragraph 1(a) and (b) in any case where:
>
> (a) special geographic—

Mr. Hermanson: Dispense.

Mr. Milliken: I want the hon. member for Kindersley—Lloydminster to hear this because he said this is bad.

It stated:

> (a) special geographic considerations, including in particular the sparsity or density of the population of various regions of the province, the accessibility of those regions or the size or shape thereof, appear to the commission to render such a departure necessary or desirable, or
>
> (b) any special community or diversity of interests of the inhabitants of various regions of the province appears to the commission to render such a departure necessary or desirable,

In other words, those were the tests that the commissions appointed in 1993, and that rendered their reports late last year, had as their guideline.

I ask you, Mr. Speaker, to compare those words with the words in clause 19(3), which the hon. member for Kindersley—Lloydminster says will render voter equity almost meaningless. In 19(3) it states:

> A commission may depart from the application of the rule set out in paragraph 2(a) in circumstances that are viewed by the commission as being extraordinary because a part of a province, the population of which is less than 75 per cent of the electoral quota for the province calculated in the manner described in subparagraph 2(a)(i) or (ii), is geographically isolated from the rest of the province or is not readily accessible from the rest of the province.

In other words, the test is narrowed. It is not widened, it is narrowed. It is harder to get a special riding under the new rules. It must meet one of two tests. The old rule allowed the shape, the density or sparsity of population and all kinds of different things to enter into it. That is no longer a consideration. Accessibility is now the test. There are two tests: geographically isolated from the rest of the province or not readily accessible from the rest of the province.

We have narrowed the test. The hon. member is still complaining that voter equity is rendered almost meaningless by this test. I suggest to him that he should re–read the old act, read the new bill, and he would conclude, as I do, that his amendment is not well–founded. He should leave those words in the new bill and support this change. It is a good change and one that will result in the basic principle for which we are all striving, that is, effective representation.

SPEAKER'S RULING

The Speaker: I thank the hon. member for his intervention.

Earlier today the hon. member for Kingston and the Islands raised a point of order. It was before question period. It was on the procedural acceptability of Motion 4 in the name of the hon. member for Bellechasse. He argued that the motion went beyond the scope of clause 16.

I have now had the opportunity to review the arguments made earlier this day by both hon. members and I do thank them for their interventions and their arguments.

The Chair has no difficulty in finding the amendment relevant to the clause and the bill since the concept of the formula of section 51 of the Constitution Act, 1867, is clearly introduced in the said clause. Furthermore, it is the opinion of the Chair that the amendment does not seek to amend section 51 of the Constitution Act, 1867, but rather it seeks to add a supplementary consideration for the Chief Electoral Officer in the determination that he must make pursuant to clause 16.

For those reasons I will allow the amendment to go forward.

MOTIONS IN AMENDMENT

[*Translation*]

The Deputy Speaker: Since the Speaker has now ruled on this matter, we can now deal with Motion No. 4. Someone could move that all the amendments be grouped together for debate.

The hon. member for Bellechasse, on a point of order.

Mr. Langlois: Mr. Speaker, I would like to get an indication from the Chair as to how we will debate the motions.

Since Motion No. 4, which is under my name and which is seconded by the hon. member for Kamouraska—Rivière–du–Loup, is of a different nature than those which relate to a variation of 15 per cent or to the deletion of special clauses, would it not be appropriate to debate them one after the other, and to vote on them separately?

• (1555)

The Deputy Speaker: I thank the hon. member. Many members have already told me that these motions do not belong to the same group. We continue with the group which includes Motions Nos. 1, 2, 3, 5, and 7. Then, we will deal with the other group. Has the parliamentary secretary concluded his remarks?

Mr. Milliken: No, Mr. Speaker. Do I have any time left?

The Deputy Speaker: The time allocated to the hon. member has expired.

Mr. Maurice Bernier (Mégantic—Compton—Stanstead, BQ): Mr. Speaker, I am pleased to participate in the debate on Bill C–69, and particularly on the amendments proposed by the Reform Party. I will start by making some comments on the speech of the hon. member for Kingston and the Islands.

It goes without saying that, when the member for Kingston and the Islands rises in this House to support the Bloc Quebecois, it gives him additional credibility.

Some hon. members: Oh, oh!

Mr. Bernier (Mégantic—Compton—Stanstead, BQ): This also reflects the open–mindedness of the Liberal member. I do hope that this expression of intelligence will have a positive effect on his colleagues, but I doubt it. As my grandmother used to say, we have our work cut out.

I support the views expressed by the hon. member for Bellechasse and I reject the amendments proposed by the Reform Party concerning the application of the 15 per cent rule. According to the arguments put forward by the Reform Party, we would not have to conduct an in–depth review of electoral boundaries and it would probably be a simple matter of feeding some formula into a computer which, in a matter of minutes, would come up with a new riding and a new electoral map for the whole country.

It seems to me that the review of electoral boundaries should be a more fundamental and serious exercise than that. Provisions in the bill that would allow a difference of 25 per cent would seem to be entirely justified under the circumstances, for very obvious reasons, especially when we are talking about so–called rural areas, and this applies to many of our Reform Party friends and in fact, to most members in this House. It seems to me that commonality of interests should take precedence over nearly all the criteria that are considered when it is time to review electoral boundaries.

To represent a riding is not just a matter of being here in Ottawa a few days a week to listen to the arguments of other members. It is about considering the interests of our respective communities and making them known to the federal administration, in this case, and it is also a way for us to play a leading role and act as a catalyst in our communities. In other words, commonality of interests is essential.

• (1600)

When I look at my own riding, I remember the readjustment that had been proposed in the now defunct Bill C–18. It would have created a situation that people in the area would have considered absurd. I had an opportunity to make this point during the debate on Bill C–18. My riding was turned upside down. Overnight, communities were grouped with other communities, and one example was the MRC du Granite, whose main city is Lac Mégantic, which all of a sudden found itself in the same riding as Thetford Mines. Now the people of Thetford Mines are all very nice, and its business people are very friendly, including the member for the area and my colleague, Mr. Chrétien.

However, the two communities have very little in common since they did not evolve the same way and do not have the same interests. Geographically, they are next door to each other. On the electoral map, we see that the asbestos area is next door to the Granite region. However, when we consider the background of these communities, including their economy, their educational facilities, where their children go to continue their education, their cultural facilities, we realize that these two communities are not developing the same way and do not have the same geography.

These aspects should be considered when the time comes to revise electoral boundaries. We must consider commonality of interests and the numbers rule should be subordinate to this principle. We need a degree of flexibility that will let us consider commonality of interests. It seems to me that the 25 per cent rule allows for a certain degree of accommodation that encourages compliance with this rule. That is why it is quite natural that the Bloc Quebecois should reject the amendments proposed by our Reform Party colleagues and is in favour of maintaining the 25 per cent rule.

I may add, and I am nearing the end of my speech, that we need provisions in this bill that will allow for setting up so–called special electoral districts, in other words, districts that may be under 25 per cent. We gave certain examples. I remember the case of the Magdalen Islands, which for many years, from 1947 to 1968, had been an autonomous electoral district. From 1867 to 1946, the riding was joined to Gaspé and now, since 1968, it is part of the riding of Bonaventure—Îles–de–la– Madeleine. This is a case in point, when we consider the very special character of the Magdalen Islands. There are of course other examples that were raised by other colleagues in this House. So again, those were the reasons why we should maintain the 25 per cent rule.

[*English*]

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, I must say at the outset of my remarks that I was not prepared to speak today, but after listening to some of the

comments from my hon. colleagues I was impelled to rise and add my two cents worth to the discussion.

• (1605)

I would like to correct the record concerning some comments attributed to the hon. member for Kingston and the Islands. He mentioned that the Reformers were disappointed although we opposed Bill C–18 a year ago and I think the phrase he used was that we were weepy about some of the proposed changes. He implied that although we opposed the bill, we actually were not disappointed when it passed and the existing electoral boundaries commissions were subsequently disbanded.

I would like to say for the record that yes, we had some legitimate concerns about the proposed changes. However, we felt and still feel that those concerns could have been adequately addressed through the appropriate process that was in place at the time.

We saw no need to suspend the existing provincial electoral boundaries commissions. We felt that elected representatives in this House should not have any priority over the concerns of the average citizen and that we should make our case either orally in front of the commissions when they travelled around the various provinces or through an appropriate paper trail.

Speaking for myself, I took leave of that opportunity and presented myself to the electoral boundaries commission for British Columbia in Prince George on June 2. I made my case against the proposed changes that it had communicated.

I am pleased to represent one of the larger ridings in British Columbia. It encompasses about 212,000 square kilometres. As we have heard today from a number of members, some rural ridings are very difficult to represent. It is very difficult to get around to all the various areas in one's riding.

I certainly consider my riding one of the more difficult ones in the country to get around. It is the only riding that straddles the Rocky Mountains. Some 60 per cent of the population of my riding is on the Peace River side on the east side of the Rockies and 40 per cent is over on the other side. I had some concerns, as did some other Reform Party members and members from other parties.

I made my presentation at the hearing. Lo and behold, miraculously the commissioners did listen to my presentation. Subsequently, the commission was disbanded and submitted its final report. I was privy to that report when it came out in November. I found that the committee had listened and had responded appropriately concerning the changes it had previously proposed for the Prince George—Bulkley Valley and the Prince George—Peace River ridings. What had actually happened was that the committee had listened to the member for Prince George—Bulkley Valley and myself and left the ridings as they now exist.

It is also appropriate to mention that even with the existing population of British Columbia which is estimated at some 3.3 million, the number of ridings from the 1991 census will be 34 rather than 32. As I am aware, Elections Canada pegs the number at some 96,531 for the average riding size for a population the size of British Columbia.

The riding of Prince George—Peace River as it currently exists would fall under the 15 per cent variance as proposed in the amendment by my colleague. Therefore, even a large rural riding and one of the more difficult to travel around would still qualify under the reduced variance that Reform is proposing. That should be noted.

One other point I would like to make concerns some comments made by the hon. Bloc members. They seem to have some difficulty understanding how Reform on the one hand supports the concept of a triple E Senate and on the other hand speaks against this larger variance. It is very easy for us to understand. I do not know why it is so difficult for them to understand.

• (1610)

It gets back to what we believe is the fundamental principle of democracy in a two house system. The lower house should be represented as closely and as accurately as possible by representation by population, while the upper house should represent the regions in a geographical sense. I do not understand why the hon. members from Quebec find that so difficult to understand.

I note with real concern that amendments put forward by the Bloc suggest that Quebec should somehow always have some traditional right to 25 per cent of the seats in this House. It goes completely contrary to the defeat of the Charlottetown accord.

As Reformers travelled around the country and particularly in western Canada speaking out against the Charlottetown accord during the referendum campaign, one of the concerns we heard from Canadians was that no area should have a right to a set number of seats in this Chamber and that they should be set by population. Who knows what is going to happen in the future? That was the real reason a lot of people voted against the Charlottetown accord.

In closing, I make note of that for the hon. Bloc members. They should remember their history. Remember that one of the reasons people voted against the Charlottetown accord was that they completely discount this opinion by some Quebecers, not all, that somehow they have an inherent right to 25 per cent of the seats in this House.

[*Translation*]

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, I will therefore talk about the amendment proposed by the Reform Party to narrow the deviation from the provincial electoral quota from 25 per cent to 15 per cent. First, I would like to point out that Quebec also voted against the Charlottetown Accord. Obviously for different reasons, but this is probably the only point in history where we agreed. This is just about the only time in the year that the Bloc Quebecois and the Reform Party agreed. It was, nevertheless, for a good cause, basically.

In order to understand what the 25 per cent and the 15 per cent situations represent, we must situate ourselves both geographically and demographically, since our role in the House is not just to represent an area and not just to represent people, but to represent the people in a given area. From these two starting points, we must look at the two elements in the process. There are regions where it is easy to comply with the principle through geographic juggling or playing with certain boundaries and thus relatively easy to move the scale 25 per cent or 15 per cent higher or lower. It is a matter of mathematics.

Clearly mathematics does enter the picture at some point. However, where mathematics takes a back seat is where geography comes into play. There are regions, not only in Quebec, but in Ontario and in the Yukon, where this is not possible. I am sorry, but our role here in the House of Commons is not a static role where we represent people mathematically. We are here to represent people according to the demographics of regional characteristics. Within the process, certain basic elements must be taken into account. I will give you a specific example. Naturally, I will give you the one I know best, that of my riding.

My riding is the third largest riding in the country: 465,000 square kilometres. It is a little more than half the size of Ontario, just to give you an idea of what 465,000 kilometres means. It is not the kind of vast area where people live in 10 square kilometres and the rest is forest. No, there are people living throughout it in its farthest reaches. There is even a place where there are fewer people—at the heart of it. So, reasonably, a member has to take the time to visit the people, and the people also are entitled to see those they voted for, those who represent them, whether they voted for them or not, because they are there to represent them.

• (1615)

Mr. Speaker, 465,000 square kilometres, that is over 82 times the size of Prince Edward Island, which has four MPs. Therefore, if we were to calculate the ratio, there should be 328 MPs for the riding of Manicouagan, which is more than the number of members currently in the House of Commons. If you want to talk math, so will we.

It makes no sense, except that there would be a lot of Bloc Quebecois members. We are losing in all this, but what can I say? It is something we must accept.

Now, back to the debate, because we must not lose sight of any of these issues in the parliamentary process. And when we take into consideration goals that we must strive to attain and, I should add, never give up on, this is stricly in the interests of the good representation of the taxpayers who pay our salaries.

It takes three hours by plane to get to Blanc–Sablon, in the eastern corner of my riding, and if I want to visit other taxpayers in the north end of my riding, I have to first go back to Sept–îles before taking another three hour flight. I have to block off several days, even weeks, if I want to go to Blanc–Sablon. In fact, I had to prepare a schedule when I appeared before the committee.

To really visit everyone in my riding, not in a whirlwind tour, but to actually go to each location and meet an organization, for example the municipal authorities at city hall or the members of a chamber of commerce, it takes three weeks non–stop, with no days off, and that is if weather permits. I must honestly admit that over the last year and a bit, I still have not been able to do a complete tour of my riding because all too often the fog prevents us, slows us down, makes us push back our schedule by a day. Taxpayers nevertheless have the right to meet their elected representatives. And it is the duty of elected representatives to meet taxpayers on their own turf so that they can better understand certain peculiarities, because regional particularities do come into play.

In the north, for example, we find native communities, where hunting and fishing are the main issues. In the southwest, which covers the area from Sept–îles and Port–Cartier up to Franquelin, including Havre–Saint–Pierre, we find mostly mining and logging companies, naturally. Fermont is another mining town a little further to the north.

That is where the road ends. That is another factor to be considered. There is a proposal to amend the variance from 25 per cent to 15 per cent. When the road ends, it does not matter whether it is 15 or 25 per cent. These people have the right to live, to have access to food, to health and public services.

We are talking about quite a different set of logistics just to meet with them. There is no comparison. In this sector, 75 to 80 per cent of the inhabitants live off the fishery. But there is no road. There is only the boat or the plane, and in winter, the snowmobile.

We know what happened recently in Blanc–Sablon. There is a great deal of snow, Mr. Speaker.

In conclusion, we must not take our search for a mathematical formula to extremes. We must continue to be proud of the work we are doing, and proud as well that we are able to improve the

quality of service to these people, because they too have rights and obligations, as do we, their elected representatives. We must not allow a mathematical formula to make a mockery of what we do.

In order to bring it into line, my riding would have to be enlarged by almost half the area of the entire province of Quebec. We would be looking at more than one House of Commons. No. I think that, out of respect for taxpayers, we should stick with figures that take geography and demography into account.

[*English*]

Mr. Derek Lee (Scarborough—Rouge River, Lib): Mr. Speaker, I want to address two items in connection with the amendment proposed by the Reform Party in relation to setting the variance from quota that would be used for the creation of new riding boundaries in the forthcoming redistribution.

• (1620)

I note, as my colleague from Kingston and the Islands has already noted, the 25 per cent maximum variance has already been found to be charter compliant. It is a measuring stick that fits within our charter. At the end of the day it is the charter which governs how our electoral redistributions will take place. That is the foundation on which our democratic rights and privileges are built.

In relation to the actual population numbers I draw to the attention of colleagues the possibility that during this debate some of us are focusing on existing population numbers when we look at the variance from quota that existed over 10 years ago when the boundaries were last redistributed around 1987.

When some members ask whether the current variance in a particular riding of close to 25 per cent is democratic, I point out that a lot of these statistics did not exist 15 years ago. When the boundaries were created 15 years ago many of these ridings were much closer to population quota. Subsequent growth has caused the populations to increase or decrease and depart from the quota. We have to be careful in discussing that because it is not fair to say that because a riding is 23 per cent above quota now that is what would be the case if the electoral boundaries commissions were to reshape the boundary now.

The electoral boundaries commissions will be expected to follow very close to quota when they do their work. That is how they operate. I have been through the process once back in the eighties.

The change to the statute at committee involving the deletion of what was called the schedule was done for some pretty calculated reasons. I know they were good reasons. I debated it at committee. By deleting the schedule we have not rid the ability of particular ridings to continue to exist outside the 25 per cent variance.

However, we have circumscribed fairly precisely the basis on which they could be outside the 25 per cent variance. The circumstance must be extraordinary. I leave the definition of that to the electoral boundaries commissions. The riding must be geographically isolated or not readily accessible to the rest of the province. If the electoral boundaries commission is to permit a riding to exist, not just varying from the quota but outside the 25 per cent variance, they must give cogent reasons.

If some democrats from the Reform Party or the Liberal Party or the Bloc Quebecois believe that being outside the variance does not comply with the charter there can always be access to judicial interpretation.

We have made a reasonable compromise. We have put in place a reasonable mechanism to address what is truly an incredible variety of electoral circumstances in Canada.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, I already had a few opportunities to speak about the readjustment of electoral boundaries.

• (1625)

With regard to the amendments put forward by the Reform Party, I should explain to the people listening to us that this is not a complex technical matter. The Reform Party is simply asking us to make ridings larger and give greater importance to urban communities and less importance to the other criteria, including territorial settlement, thus affecting our whole vision of Canada's development.

Through seemingly very technical criteria, the amendments put forward by the Reform Party would lead to a very clear choice, namely ensuring that future development is based only on natural population migrations without considering that any region may experience a temporary decline in population and take steps to revitalize the community. The amendments proposed by the Reform Party would only speed up the community's decline and reduce its political representation. It is obvious at this point, I think, that we must make sure this amendment is rejected.

The second amendment, which is aimed at eliminating the possibility of deviating by more than 25 per cent, further increases the imbalance with constitutionally protected ridings. For instance, in Prince Edward Island and a number of other places, certain ridings are protected, and preventing any variance above 25 per cent will only increase the discrepancy between levels of representation.

What kind of an advantage is a riding under constitutional protection given over other ridings in terms of representation? Because this argument of representation is coming up and I think that the rural communities of Western Canada must be surprised indeed at the position the Reform Party is taking today, a position which would make ridings already covering

huge areas extend even further. I find it very odd indeed that the Reform Party should take such a stand.

It also seems to me that, beyond the mathematics of representation, the idea is to ensure that representation is fair and accurate. Fairness is not just a matter of arithmetic. Otherwise, this whole thing could be resolved with a calculator and we would save a great deal of money. But when one riding covers, say, six blocks in Toronto, Montreal or Vancouver while another one encompasses 55 or 60 municipalities, should we not take into account other criteria to ensure that rural and urban ridings are equally represented in this Parliament?

I do not think that anyone here will deny that these circumstances affect how we carry out our duties and that we need different ways to reach out constituents, one being to reduce the number of constituents in all ridings. It was just established that the act already provides sufficient variances to ensure this kind of representation in the future.

We were asked earlier how we, from the Bloc Quebecois, could not share the triple E Senate vision of the Reform Party. It is because a triple E Senate would exacerbate the problem. In a triple E Senate, all provinces would have the same number of representatives. I have nothing against the people of Prince Edward Island, but let us compare the size and population of this province to Ontario, Quebec or British Columbia.

Quite obviously, this is not an adequate solution. In any case, Quebecers had at least 15 other reasons to reject the Charlottetown Accord and this is certainly not the only one which led them to reject that deal. The accord, which was bad for all of Canada, had been cooked up by negotiators behind close doors. Afterwards, we realized that the people they claimed to represent had no intention of agreeing on such a deal, and they massively rejected it, which was a good thing for Quebec and Canada.

As regards the second amendment proposed by the Reform Party, it is important to look at its impact, for example, on the Magdalen Islands, in Quebec.

• (1630)

The Magdalen Islands are a very distinct region of Quebec. My Bloc colleague mentioned that his riding is too large, but there are other specific realities which have already been acknowledged by the federal government, such as being islanders. The distinct riding is gone. However, these constituents can benefit from what I would call a greater open–mindedness, a wider vision in terms of Quebec's development.

In the Quebec Election Act, the Magdalen Islands are deemed to be an exception to the rule of 25 per cent. In fact, they are currently the only exception in the Quebec legislation. Everyone is pleased because we provide specific representation to people who have very specific and distinct problems, as can be seen right now with the fishing debate.

We should ask the hon. member for Bonaventure—Îles–de–la–Madeleine to tell us about his experience as the member representing the Magdalen Islands, as well Bonaventure. How can he ensure adequate representation for both regions? This is almost impossible.

The member finds himself dealing with chambers of commerce which are unhappy because their interests are not properly looked after. It is not necessarily a matter of individual qualifications but probably far more a question of being able to represent all one's constituents. How can he do his job as a member in Ottawa, as well as representing Bonaventure and a district 500 kilometres away, surrounded by the sea?

I think that if the Government of Canada wanted to show that it understands the particular needs of regional development and especially this region, it would accept the proposal presented by the Bloc. At the very least we must defeat the amendments proposed by the Reform Party which would preclude any flexibility in this respect. I think we have to send a message to that effect.

I would like to take this opportunity to respond to a question I was asked in committee, a question I felt was particularly insulting to the people in my area. The hon. member from Kindersley—Lloydminster asked me whether it was to protect the electoral districts consisting of 100 per cent, "pure laine", French Canadians, as he put it, that I was telling them to protect the five counties in Eastern Quebec.

At this point, I had to give him a history lesson, because he was unaware of the fact that in addition to francophone communities there were also anglophone communities that were established long ago, at the time the Loyalists left the United States to settle in the Gaspé.

There are also aboriginal communities in these ridings which would like proper representation. So our intervention was not to protect the French Canadians in this area but to ensure that all citizens enjoy adequate representation.

I think this is symptomatic of the contempt in which the Reform Party holds members of this House and the role they have to play. I do not think anyone in this House makes representations to ensure he will be re–elected. In any case, changes are so unpredictable.

If during the last election, the Conservatives had done everything they could to protect themselves, instead of two members they might have had four or five, but basically, the result would have been the same. I do not think members make proposals to protect their ridings but to ensure that citizens are satisfactorily represented.

So, I believe it is important that all groups in our society, all individuals, but also the type of communities that they form—

Native, English, French and other communities in Canada—have an adequate representation, and it is certainly not by applying the two amendments moved by the Reform Party that we will achieve this result.

So, it is important to reject these two amendments in order to ensure that the federal distribution map, if it needs to be used again in the future—I personally hope that we will never need it again—because, if there is a conclusion that we come to beyond the issue of the distribution map, it is the fact that double representation, with federal and provincial members of Parliament, is confusing to people. They do not know who is responsible for what any more. It would be very important to change this situation.

If I were a federalist, I would say: "Let us clarify in the Constitution the roles of everyone so that we do not trip over the same responsibilities". But as a sovereignist, and because of my own experience over the past 30 years, I believe that the solution is obviously for Quebec to achieve sovereignty.

• (1635)

But, in order to respect Quebecers' right to representation, and also because we were elected not only to promote the cause of sovereignty, but to defend Quebec's interests, I think it is important that we pass legislation that will allow for the best possible representation of all voters in Canada—in my particular case, those of Quebec—and therefore I hope that these amendments will be rejected so that we can ensure proper representation for all the people who deserve it, for all citizens of Quebec and Canada.

[*English*]

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The question is on Motion No. 1. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

The Deputy Speaker: Pursuant to Standing Order 76.1(8), the recorded division on the motion stands deferred. The recorded division will also apply to Motions Nos. 2, 3, 5 and 7.

It is my duty pursuant to Standing Order 38 to inform the House that the question to be raised tonight at the time of adjournment is as follows: the hon. member for Delta—Fisheries.

[*Translation*]

The House will now proceed to consideration of Motion No. 4, which will be debated and voted on separately.

Mr. François Langlois (Bellechasse, BQ) moved:

Motion No. 4

That Bill C-69, in Clause 16, be amended by replacing lines 41 to 44, page 8, with the following:

"Constitution Act, 1867 and, notwithstanding the foregoing, when by application of this subsection the number of members to be assigned to the Province of Quebec is less than 25 per cent of the total number of members in the House of Commons, the Chief Electoral Officer shall assign at least 25 per cent of the total number of members to the Province of Quebec.

(2.1) The Chief Electoral Officer shall cause a notice to be published in the Canada Gazette forthwith setting out the results thereof."

He said: Mr. Speaker, we are finally at the heart of the debate. We are nearing the point where we will know whether or not this House recognizes Quebec a right we have always considered normal, as one of the two founding peoples, the right to be represented according to our historical participation in Canadian institutions. Aside from what my friend, the hon. member for Kamouraska—Rivière-du-Loup, was saying awhile ago—since we hope that this bill on electoral boundaries will not apply to Quebec—we must continue to live with the institutions where we have been called to serve and work, in the hope of improving them until such time when Quebec democratically chooses to separate.

The Constitution Act of 1791, the first providing for elected representation, gave Quebec a large majority of seats. It means that in 1791, francophones controlled the legislative assembly. The Union Act of 1840 reduced Quebecers' share to half the seats in the House of the Province of Canada although, at the time, their numbers were far greater than those of the English speaking population.

• (1640)

On the eve of the union of 1867, there were, right here in Ottawa, in the Parliament of the Province of Canada, 65 members from Quebec and 65 members from Upper Canada. We had half the seats. What happened since then? From 65 out of 130, or 50 per cent, as we were on June 30, 1867, we went the very next

day to 65 out of 181, or a third, at least theoretically since the elections had not been called yet.

Today, as we sit in this 35th Parliament, we are 75 out of 295 and, should the trend continue, should we remain in this federal system which is relentlessly stifling us, we will have only 75 seats out of 301 in the 36th Parliament. Then it will be out of 310, 330, 340. This is Quebec's slow agony. Today we are called on to say if we accept this slow agony for Quebec, regardless of the referendum results. I am in good company to comment this situation.

Fortunately, we have *Hansard*, the official report of the debates, which allows us to see how our friends in this House looked at this issue, in 1992. I refer especially to page 12795 of *Hansard* of September 9, 1992, in which the hon. member for Papineau—Saint–Michel, the current Canadian Minister of Foreign Affairs said, and I quote: "Another demand is the preservation of Quebec's representation within common institutions to fully reflect its particular status in Canada. Item 21 guarantees that Quebec will be assigned no fewer than 25 per cent of the seats in the House of Commons".

The hon. member for Papineau—Saint–Michel goes on to say: "This is in fact an extraordinary gain showing the remarkable generosity of our Canadian partners who thus recognize Quebec's distinctiveness". The hon. member for Papineau—Saint–Michel, who is now a government minister, will surely not change his mind when the matter is voted on. He will surely remember a speech he made as recently as September 9, 1992 and support the amendment tabled by the Bloc today.

Other people not known as sovereignists have considered this issue. These people have expressed conflicting constitutional positions. A case in point is Senator Jean–Claude Rivest who, when he appeared before the Committee on Procedure and House Affairs on June 21, dealt in particular with the issue of a minimum level of representation for Quebec, what this minimum level should be and why.

In the June 21, 1994 issue, No. 18, of the Minutes of Proceedings of the Standing Committee on Procedure and House Affairs, Senator Rivest is quoted as saying: "However, the constitutional system that the Canadian constitution imposes on the various provinces varies considerably from province to province. In particular, the constitutional obligations that were imposed upon Quebec in 1867, and which were maintained in the 1982 Act are much greater than those imposed on other provinces.

One only has to recall the special language requirements imposed upon Quebec concerning the use of French and English in the legislature and in the courts, the provisions that were renewed concerning Quebec pursuant to section 23 of the Charter having to do with the language of instruction, and the constitutional obligation that only the government of Quebec has to maintain two school board systems".

So, says Senator Rivest: "The principle that the various provinces should be constitutionally equal is contradicted by the very text of the Constitution, which opens the way for the government of Quebec to demand, strictly at the constitutional level, i.e. in terms of the House of Commons, the Senate and the Supreme Court, special constitutional status that corresponds to the sociological, linguistic and historical reality of Quebec within the Canadian federation".

• (1645)

Senator Rivest added: "One example would be the 25 percent representation rule within the House of Commons, along with the fact that in the current Senate, Quebec has a markedly greater representation than do the other provinces of regions of Canada. A second example would be the Supreme Court. Only Quebec is guaranteed three seats on the Supreme Court. So when it came time to negotiate about the House of Commons, as I just said, we demanded 25 percent representation. From a federalist point of view, the basic problem of Quebec's society—and this is still Senator Rivest talking—and not the problem of the province of Quebec, is that it is inconceivable and no doubt unacceptable for Quebecers, for Quebec's society, to be part of the Canadian federation without the assurance and the constitutional and legal guarantees that the various Quebec governments have always sought and with which Quebec could retain, at the institutional level, not a majority, not equality, but enough of a critical mass to have influence corresponding to its historical, sociological and cultural reality within the Canadian federation. For Quebec, this is something that is not negotiable".

I am quoting Senator Rivest, who has not yet joined the Yes camp in the referendum debate. I asked Senator Rivest this last question when he appeared before us: "If Quebecers were to decide to postpone their move toward sovereignty, would you now be in favour of including a constitutional clause that would guarantee them 25 per cent representation"?

Senator Rivest replied: "I think that no matter how the Senate is reformed, it will be extremely difficult for the Premier of Quebec, assuming that the federal system continues, to agree to any constitutional standard, regarding the number of members, that would be below a 25 per cent threshold".

I just quoted two staunch federalists, two people who actively participated in the abortive attempts to reform Canadian federalism.

I see across the way some of the members who supported this minimum of 25 per cent, this critical mass that Quebec so badly needs in this House. The member for Cochrane—Superior voted in favour of the motion, as did the member for Saint–Maurice and current Prime Minister, the member for Sudbury, now Minister of Health, the member for Papineau—Saint–Michel, of course, after what he said, voted in favour of the motion and, oddly enough, the only two paired members, the hon. member for Kingston and the Islands and the former Solicitor General, Mr. Lewis. I hope that he will not be paired in the vote, and that

he will support, as his colleagues have done, a minimum representation for Quebec.

The vote that will be held in this House will send a message to those Quebecers who still have doubts about the willingness to reform federal institutions. It will tell them whether there is, among the Liberal members opposite, the willingness to give Quebec a minimum guarantee that the Liberals themselves, when they were in opposition, felt so strongly that Quebec should have.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I always respect the views of the hon. member for Bellechasse which he expressed so well this afternoon. I think the problem is that he chose a subject that is not part of the bill.

Actually, the issue he raised today by proposing this motion in amendment is a constitutional issue, one for a debate on the Constitution like we had during the debate to which he referred in his speech, right up to the vote. Was it on the constitutional question? Or was it on the Charlottetown accord? It was either one or the other.

I remember that evening when I was not in the House to vote on this question. It was a very important question, and I supported the Charlottetown accord.

• (1650)

I supported the accord, and the voters in Kingston and the Islands voted for it, but I am sure the hon. member for Bellechasse did not support the Charlottetown accord. I hope he did, but I am afraid he voted against it. I am sure that Reform Party members in this House voted against Charlottetown, and that is too bad, because it was a good accord and I supported it, as I said before.

[*English*]

The Charlottetown accord died. While some of us worked very hard on the referendum campaign to ensure its success, as I did, it was rejected by the people and we must respect that decision and try to get on with life.

If the hon. member wants to amend the Constitution of Canada to provide some minimum number of seats for another province, that is fine. We already have some of those in the Constitution, with respect to Prince Edward Island and New Brunswick at the moment. We can deal with amendments to the Constitution of Canada. However, I am not going to support efforts to make those changes through the back door by changing the Electoral Boundaries Readjustment Act.

The hon. member knows this is a back door way of trying to achieve something that requires a front door approach. What he is asking us to do is ensure that another province be added to the list of those guaranteed protection under the act. In my view we have too many of them now. In addition to the two guarantees in favour of a Senate floor in all provinces but that are now full force in effect in respect of both Prince Edward Island and New Brunswick, we have the grandfather clause introduced into the Constitution by the previous government.

The grandfather clause ensures that provinces will not drop below the number of seats they had in the House in I think 1979. That clause is protecting several other provinces which in a normal redistribution would lose seats to more populous provinces.

Now we have the spectacle of the Reform Party urging on the House a reduction in the number of seats in the House. It would have abolished the grandfather clause and reduced the number of seats in many provinces. I am afraid we would have said goodbye to the hon. member for Kindersley—Lloydminister because his province would have lost a very large number of seats. I can only imagine that when the electors got a chance to deal with him, having put forward such a proposition, they would have made short work of his political career, which I am sure would be a matter of considerable regret to many of us in the House.

The government rejected this idea and I see it has not come back in amendments today. I can understand why. I suspect that if the members of the Reform Party pushed the reduction in seats in amendments with the dire consequences that we all know would follow for the province of Saskatchewan among others, they would be in difficulty today.

Mr. Hermanson: It is beyond the scope of the bill.

Mr. Milliken: The hon. member for Kindersley—Lloydminister from his seat said it is beyond the scope of the bill. I agree with him, but then so is this one.

Mr. Hermanson: Mr. Speaker, on a point of order. The Chair has made a ruling on whether the Bloc amendment was in order and within the scope of the bill. I wonder if he might withdraw that.

The Deputy Speaker: The hon. parliamentary secretary would know better than to do that. We must put a positive interpretation on that.

Mr. Milliken: Mr. Speaker, I am fully aware that it has already been ruled to be in order. It does not mean that I do not have my views on what the amendment was. I made them earlier today. They are on the record. The hon. member may wish to re–read my remarks.

Looking at this motion today, the hon. member for Bellechasse should also bear in mind that what we are trying do by this law is get a law that will survive court challenges. He knows as well as I do that when we were considering the bill in committee we looked very carefully at previous court decisions in respect of representation matters in Canada.

We tried to come up with wording that would ensure our bill fell within the parameters laid down by the courts, interpreting the Constitution Act in ways to see that this complies in every respect with that act so that we will not have the electoral boundaries drawn up by a commission thrown out as being contrary either to the Constitution Act or to the Electoral Boundaries Readjustment Act and that will ensure the provisions of the Electoral Boundaries Readjustment Act are not held to be inconsistent with the Constitution Act.

• (1655)

Section 52 of the Constitution Act, 1867, provides that the number of members of the House of Commons may be from time to time increased by the Parliament of Canada provided the proportionate representation of the provinces prescribed by this act is not thereby disturbed.

The question is will a change provided for in this act disturb the proportionate representation of the provinces prescribed by the Constitution Act. It would or could depending on the number of seats added or taken away in order to achieve the result desired by the hon. member in his amendment.

Therefore the amendment may be contrary to section 52 of the Constitution Act. If it were, it could throw out the entire redistribution all across the country after it was complete. What needs to be amended here is not the Electoral Boundaries Readjustment Act but the Constitution Act to attain the result the hon. member desires.

Furthermore, if a guarantee of 25 per cent of the seats for Quebec affects the principle of proportionate representation then the motion could require this constitutional amendment under the seven provinces and 50 per cent of the population rule pursuant to section 42 of the Constitution Act, 1982, which provides as follows:

> (1) An amendment to the Constitution of Canada in relation to the following matters may be made only in accordance with subsection 38(1);
>
> (a) the principle of proportionate representation of the provinces in the House of Commons prescribed by the Constitution of Canada;

Given that this kind of constitutional amendment, this kind of guarantee, may require the consent of seven provinces representing 50 per cent of the population and may not be done by a simple act of Parliament, again I suggest this is an inappropriate way to do it.

He knows perfectly well that the Charlottetown accord provided such a vehicle and amended the Constitution of Canada in respect of certain matters but adopted the requirements required by the Constitution for the 50 per cent where necessary in unanimity in certain other cases.

The constitutional accord was worked out on that basis. His amendment needs to be worked out on that kind of basis because it does affect the principle of proportionate representation of the provinces in the House.

Accordingly, it is a matter that needs to be dealt with as an amendment to the Constitution of Canada, not as an amendment to the Electoral Boundaries Readjustment Act.

For that reason in spite of the very eloquent remarks he made and in spite of the suggestion that members of the House have voted previously in support of the general principle of this proposition, in this case the House would do very well to reject the amendment he has proposed and allow it to be brought forward if he wishes as a private member's bill to amend the Constitution Act or wait until the House gets a bill before it that deals with the Constitution Act and the representation of the people in that act. We can then touch on it.

I note that for the record in respect of the committee's own proceedings on this matter it recommended that a review of the question of the size of the House, the number of members here or whether there should be a reduction, should be referred to the Standing Committee on Procedure and House Affairs in the next Parliament when the 1996 quinquennial census will be complete and in the hands of Parliament so that members can look at the representation of the population in the various provinces and make a decision as to whether we should attempt a freeze or reduction in the number of MPs based on the shifts in population reflected in the quinquennial census.

I am optimistic that a new committee will come up with an answer to the hon. member's problem and look at amending the Constitution at that time to achieve that result. We should keep our socks on and be patient. Perhaps in the next Parliament we will be able to deal with the issue.

The hon. member for Kindersley—Lloydminister will probably give us an earful on that as well.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, it is with some interest and almost disbelief that I hear some of the arguments, particularly put forward by the Bloc today, suggesting Quebec should be entitled to 25 per cent of the seats of the House of Commons in perpetuity regardless of the role that history will play in the future of our country and a number of other reasons.

Before I respond to that I will quickly respond to the hon. member for Kingston and the Islands who suggested that if Saskatchewan were to lose a few seats in the House along with other provinces somehow it would reflect badly upon those of us who suggest Canadians want less government rather than more government.

• (1700)

I say to the hon. member that in the province of Saskatchewan, while there are many things the provincial government has done which I disagree with, one of the things it has done that I do agree with is that it has reduced the number of provincial seats from 66 to 58. If the current provincial government in Saskatchewan gets re–elected, one of the reasons it may win re–election is the fact that it has reduced the number of seats in the province. This is contrary to the wisdom of Liberal members in this House who seem to think we need to expand the number of seats in this place to please Canadians and to serve them better.

With respect to the amendment proposed by the Bloc, the Liberals agreed with the Reform Party on most of the proposals which were put forward, including this one. On the others, the Liberals backed away from these principles. The Bloc pursued a very interesting strategy in that it supported the government even though it disagreed with the government on this issue all the way through the progress and development of this bill.

It seemed rather odd that the Bloc would stand with the government. Liberal and Reform members did not agree at any point that Quebec should be guaranteed 25 per cent of the seats in the House. I am not too sure why, but all of a sudden the Bloc decided that this had become a major issue and it would have to reverse its position on the bill.

Let us take a look at what would happen if we followed the Bloc proposal. The Bloc want to guarantee that Quebec will have 25 per cent of the seats in the House of Commons regardless of population. It claims this is Quebec's historical proportion of seats. The Bloc may be proposing this because it knows it will lose the referendum and it wants to remain in the House.

In any case, it violates the principle of representation by population. Seats are added to provinces to account for population growth and proportional shifts. If all the provinces insisted on retaining their proportion of seats, a provincial redistribution would simply not occur. That would create even greater discrepancies in the population of provincial constituencies as the country continued to grow. I would like to give a couple of examples of this. I hope the Bloc members are paying attention.

In 1925 Saskatchewan had 21 out of 245 seats in this House. If Saskatchewan demanded to have its historical proportion of seats, it would now receive 26 seats out of 301 in the next redistribution. That is almost double the current total of 14 seats.

Who would give up those seats? Certainly, Quebec could not because that would not guarantee its 25 per cent. I guess those seats would have to come from the province of Ontario. Or perhaps the province of British Columbia would give up a few. I am sure all of us would have to give a bit to make Saskatchewan and Quebec happy if they were guaranteed their historical percentage of seats. Saskatchewan would have to have 26 seats and Quebec would have to have 25 per cent of the total. It would be a big problem.

Let us look at an even more interesting scenario. The province of Nova Scotia at one time had 21 out of 213 seats in this House. That was at about the turn of the century. A few years later, Alberta and British Columbia received their representation and they only had seven members in this House. If we locked things in in that scenario, Nova Scotia would now have 30 seats in this House and Alberta and British Columbia would probably still be under 10 seats, even though their populations far surpass the province of Nova Scotia. What would we do about that?

Seats are allocated on the basis of population shifts relative to the population of the entire country. It has to be that way because Canada is a nation which has always grown at different rates at different stages and times in its history. The government must adapt and pass laws to fit the reality of the day, not the reality of a century ago. We cannot always navel gaze into the future to predict exactly what is going to happen.

Fixing seat allocations at an arbitrary moment in time is folly. No one can know how the country will develop in the next century. We must not create something which future generations cannot live with and cannot change which, in fact, would be reason to continue some of the divisive arguments we have heard in the past between different regions and provinces within the country.

As Quebec currently has one of the slowest growing populations in Canada according to Elections Canada projections, in order for Quebec to retain 25 per cent of the seats in the House of Commons other provinces would have to surrender them. Otherwise more seats would constantly have to be added to the House of Commons and given to the province of Quebec. The House would become enormous in no time if we followed that practice.

• (1705)

The current formula predicts a House with 318 members by the year 2016 AD, with 75 seats going to Quebec. If Quebec were to have a guaranteed 25 per cent of the seats, other provinces would have to surrender five seats. If the other provinces were not prepared to surrender five seats, then six seats would have to be added to the province of Quebec to bring it up to the 25 per cent mark. As time went on, the number of extra seats required in an already growing House would increase.

This is clearly anti–democratic. It is typical of members of a party and a movement in Canada that cannot even agree on a question regarding the future of this country and whether or not Quebec will remain in Canada. They want to make sure the question will be carried in their favour. They cannot agree on the referendum question and the timing for that question because they want to guarantee the answer will be the one they want. Therefore, they will design the question to fit the scenario. Certainly this is anti–democratic, just as it is anti–democratic

for the Bloc to be declaring that Quebec deserves 25 per cent of the seats of the House of Commons regardless of its population.

It was these types of principles and this type of reasoning which defeated the Charlottetown accord. I am disappointed the member for Kingston and the Islands was defending the Charlottetown accord, an accord that demanded a double majority in the Senate based on language and one that also guaranteed Quebec 25 per cent of the seats in the House of Commons. The member cannot have it both ways. He cannot speak against 25 per cent in this House now and then speak in favour of the Charlottetown accord which included those same measures.

Also, the member for Kingston and the Islands and others in this House have suggested that because the Charlottetown accord called for an elected Senate somehow we compromised in our position. I remind all hon. members in this House that we called for a triple E Senate which was not only elected but also had equal representation from each province to overcome the concerns of the province of Quebec. Should its population decline it would have had that protection in the Senate with an equal number of representatives in the upper House, the same as every other province in Canada.

It makes sense. It is the way this country needs to be governed and it is about time that the members in this House from the other parties realized it.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, to start with, I would like to respond to the Reform Party's contentions. Just because you neglected to come to the defence of your people in Saskatchewan, we do not have to follow suit in Quebec. We were elected to defend the interests of Quebec.

The Deputy Speaker: Would the hon. member please direct his comments through the chair?

Mr. Crête: I will repeat, then, that if the Reform member raised the issue of Saskatchewan, but failed to defend the province as he should have, it is not my problem. We were elected to defend the interests of Quebec and defending the interests of Quebec entails ensuring that we will have a minimum to look forward to, in the future, in Canada.

I have never represented Canada in the House. I represent a riding in Quebec which is part of Canada and I hope that it will cease to be a part of it in the very near future. The Parliament of Canada will be sending a clear message to Quebecers if it decides that Quebec does not deserve 25 per cent of all seats. A message that Canada will give us no minimum guarantees, that we are not one of the founding peoples and that we do not even deserve 25 per cent of the seats in Parliament.

If Parliament votes against our proposal, it would mean that Quebec deserves less protection than Prince Edward Island, because Prince Edward Island has a guarantee under the constitution. And it does have, for its population, a very large guarantee indeed. And the people of Quebec will always remember this clearly, whether from within the current system or from their own sovereign state.

I invite the Reform Party to come and just try to sell its opinion to Quebec that we do not deserve 25 per cent of the seats. Quebecers will be quite clear in their reply, particularly to Reformers but also to any other party which would come to Quebec with the message that we in Quebec, who founded this country, do not deserve 25 per cent of the seats. I look forward to seeing the day that the Liberals come to Quebec to say that they rejected our proposal.

• (1710)

The hon. member for Kingston and the Islands told us earlier that he was very concerned about the legality and constitutionality of this clause. I would urge him to vote on this amendment based on the substance of the issue and to let the Supreme Court determine the validity of the argument. It is not for us to interpret whatever decision the government makes on this issue.

I would also like to remind my colleagues in this House of the remarks made by a true Canadian visionary, Mr. René Lévesque. During the 1970s, Mr. Lévesque said: "If we stay in this system as it is now, we will shrink. With the ever increasing majority, we will always remain a minority and will never have the opportunity to become a nation within this country".

For us, the proposal on the table is the least we need to see if you are ready to treat us on an equal basis in this society and to accept a minimum number of changes.

When the hon. member said earlier that a constitutional amendment might be needed, well, if this is what it takes to guarantee equality to francophones in Quebec and the whole population of Quebec, then it is up to you to introduce it. If you do not, you will be burying you head in the sand and giving Quebecers even less hope for a future within Canada than they have now.

I would like to point out that the first time my grandfather voted in his life, he voted for Laurier. This was the first he voted. He would often tell me this story, and he was very proud of it. The prime minister, then only a candidate, used to travel by train and stop in every municipality on the way. From the last car, he gave a short speech in each municipality, and it was on the basis of this that people voted.

It was then that my grandfather understood that the debate in Canada would always be about who best answered the question "Will French Canadians be treated as the equals of English Canadians?" This was how he saw the situation. He used to say that the British North America Act had been signed by Quebec, by Quebecers, because they felt it gave them a minimum of security with respect to their expectations.

The same man, several years later, voted for what was called the Bloc populaire. This party was no longer talking about equality in Canada. This came after a very significant moment in history when the importance of the 25 per cent was brought home. It was when Quebecers voted in an overwhelming majority against conscription, but had it shoved down their throats anyway.

Our great fear is that without this guarantee in the future, you will treat us more than ever like a minority, systematically reducing our representation to 15, 12, 10 per cent and maybe even achieving what some might like to see happen. But if we do not get this commitment from the present government—and I think that the proposed amendment is an amendment in principle—it will be a clear message, a very symbolic and significant sign that Canada no longer wants Quebec, no longer wants it to play the role it has always played since the introduction of the British North America Act.

In voting on this amendment, the Liberal majority, and Reform members too, because we are told that it is a free vote for them, will be making an important statement. Furthermore, I have the impression that there are among the ranks of the Reform Party a few hon. members who will, on their own, decide that the amendment is very acceptable.

In conclusion, I would say that this type of amendment is one of the very reasons for our presence here. The Bloc was elected to defend the interests of Quebec, to let Quebecers see the machinations of the system, because if we had not been here, this amendment would not have been tabled. If the Bloc Quebecois did not form the official opposition, if it were not a significant party in the House of Commons, there would never have been a debate on this issue. Our question to the federalists is this: "Are you ready to let Quebec take its rightful place or do you want to put it in its place?" I hope that you will make the right choice.

[*English*]

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I have a few brief comments on the matter raised by hon. members opposite.

• (1715)

I listened carefully to the remarks of the mover, a colleague with whom I have worked on a number of parliamentary matters. I have to give him great credit for working very well in the parliamentary committee system and making a significant contribution there and in the House.

I listened carefully to the remarks of my colleague from Kamouraska—Rivière-du-Loup. On the issues of providing a minimum number of seats in Parliament to the province of Quebec and of capping the number of members elected in total to Parliament, I think members opposite would find a fair bit of support on the government benches, at least for the capping.

I can only speak for myself. If the Constitution is capable of providing a floor for the province of Prince Edward Island for a particular reason—whatever it was at the time—I do not see why the people of Canada would not be prepared to discuss a floor for the province of Quebec for whatever reasons exist at a particular point in time. I can see what the reasons are, as can members opposite.

Conceptually I do not have a problem with capping or with floors if that is what the political discussions yield. However, those discussions, those changes are constitutional as my colleague from Kingston and the Islands has pointed out.

We are not going to be able to wag the dog with its tail here. Capping of the House of Commons and providing a floor to a particular province or region is a constitutional matter which we are incapable of addressing in this bill.

The Speaker has already ruled that the motion is not out of order. We could legislate. However, given the remarks of my colleague from Kingston and the Islands, I am not too sure that adopting this provision would have the result intended. It might skew the interpretation of the Constitution.

I wanted to signal to my colleagues opposite that I hear, I understand and I am not unsympathetic to the concept. However, I believe it is constitutional. It is odd and I find it odd. I know members opposite will understand that it is peculiar to say the least that members opposite would be looking for changes in a Constitution they have indicated they wish to abandon within a few months.

That regrettably points out perhaps an Achilles' heel, perhaps a weakness in the perspective of the Bloc, which makes a contribution to the problem. We do not always agree; many times we do not. However, to the citizens in the province of Quebec, I think it is fair to say that the only way we will get constitutional resolutions to the many issues that may confront Canada is to get back into that envelope of discussion. That is in the hands of the Prime Minister and the premiers. It is a matter they do not want to address now.

At the present time we have to deal with redistribution the way it is. I want the record to show those remarks.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, I am pleased to be able to rise this afternoon to speak on a matter that seems to be only a technical consideration of figures. However, basically, it is an opportunity to show Quebecers how the rest of Canada envisions Quebec.

• (1720)

My hon. colleague opposite mentioned a moment ago that since the Bloc Quebecois sanctions Quebec's sovereignist agenda, we should not give too much importance to the readjustment of electoral boundaries since Quebec will have ceased to exist as a province within a few months. He is perfectly right. If there is something which does not motivate me to speak too long, it is certainly the rearrangement of an electoral map including Quebec, because I fervently hope that sovereignty will be proclaimed very soon. But it is a good opportunity to show Quebecers what the rest of Canada thinks of the role of Quebec in the Canadian confederation.

Giving Quebec 25 per cent of the seats is more or less proportionate to what we pay in taxes. There is an old maxim that says "No taxation without representation". Let us go back in time to see how we have been treated since the conquest of Quebec, or New France, by England.

It must be realized that some 250 years ago, this territory was totally owned by New France. We had families, we spoke French, and economic, social and cultural activities were all conducted in French. Then came the conquest. It did not simply transfer custody over the country from the King of France to the King of England. It also brought forth assimilation dynamics which caused the territory to be separated between Upper Canada and Lower Canada a hundred years later.

We must not forget that at the time, the economic situation was critical in Upper Canada whereas it was very comfortable in Lower Canada, Quebec in other words. The Union was essentially a means for Quebec and its sound economy to help finance Upper Canada where the economic situation was rather on the slow. And the federal government did not stop there. To finance wars which were continuaaly breaking out, it introduced taxes to get even more money. Was that money put to good use for Quebec and Quebecers? Just looking at the way investments were made tells us that it is not the case.

Why are decisions made the way they are? Simply because Quebec no longer carries any political weight. If we have only 25 per cent of the seats, it means that we are losing 75 per cent of the political power. It is easy to understand that the sovereignist agenda would finally give back to Quebec 100 per cent of all the powers required to ensure its own viability, protect its economy and take on its role on the world scene.

Today, we have the opportunity to show that even with 25 per cent, which is exactly what Quebec has been requesting all along, even with 25 per cent, we face opposition from the government.

I ask all Quebecers: Is it worth staying within a Confederation when common sense requires that we get what we are entitled to according to historical rights, and that raises objections and eyebrows? I am thoroughly convinced that I could have explained all of this to empty benches and that the government's position would have been the same.

• (1725)

I hope this will make Quebecers understand that there is no alternative to the historical decision we must make. There is only one solution, the one that will give us 100 per cent of our powers and not limit us to a mere 25 per cent or even less.

Ms. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I am obviously very happy to be part of this debate. The reason of the amendment proposed by the Bloc Quebecois is that Quebec be guaranteed by Canada a minimum of 25 per cent of the total number of members in the future. I think that many arguments have been put forward and I think it is very important to be aware that we are going through a significant moment of our lives.

We have asked on several issues in the past for a sign that would allow Quebec to try and understand or see if Canada truly wants a Quebec that stands up within Canada. It is not in the interest of Canada to have a weak Quebec but rather a strong Quebec which will be able to keep its representativeness, because Quebec is a nation. It is a people, a founding people.

In 1982, Canada undertook a societal project that denied Quebec its distinctiveness and said that henceforth there was only one national identity in this country. This society project treats all ten provinces on an equal footing. As a founding people, as my colleague just said so eloquently a moment ago, francophones were present on the whole territory and even further down to the south since they were even to be found in Louisiana, and when each of the provinces joined the Confederation, francophones formed a majority almost everywhere.

The population in Quebec also experienced significant growth, but if we analyze the immigration policy of Canada we will see that Canada has deliberately increased Ontario's population by immigration and it has anglicized this country. This was a deliberate decision on the part of the government. We are asking for a concession from this country that wants to keep us all together. Everyone says that Canada is much better off with Quebec. If that is true, make some concessions. Give us the minimum we are asking for, which is 25 per cent of the representativeness. That is all we are asking.

I wonder why the government would be stubborn about that. Earlier, when I was behind the curtains, I heard the hon. member from Kingston and the Islands say that he had doubts about the legality of the amendment. I think that is not a very strong argument because at this point in time, I do not see how we could question the decision made by the Speaker to the effect that this amendment was admissible. Therefore, if the Speaker said that the amendment was in order, I wonder how we could challenge that. Other arguments must be found to justify a vote against this amendment.

• (1730)

It seems extremely important to me that we recognize that Quebec does bring an essential contribution to Canada. Confidentially speaking, between you and I, if English speaking Canada is not already an American state, it is because we are here. We make the difference. Without French speaking people, what makes us different from the Americans? We eat like them, we drink like them, we do the same things, we watch the same TV. Everything will reach us much more easily. As you know, American imperialism is expanding all around the world. It will cross our borders much more easily.

What makes a Canadian a Canadian is the fact that he can say he lives in a bilingual country. Canadians are in a country where a large percentage of the population, 25 per cent, is francophone. It is a country with a dual culture. It has the underlying wealth of two cultures, the English and the French cultures.

What other country in the world can claim such a cultural wealth? We are really, I believe, vital to Canada. We have said that, so long as we are not sovereign, we will defend the interests of Quebecers.

It must look rather odd for a sovereignist to rise in this House and say: "Hang on to the furniture, give us at least 25 per cent representation". We have not left the country yet. We are still here, and our duty, what we see as our basic responsibility, is to say to the all of the hon. members in this House that it is their duty to give us 25 per cent representation. We were here first; you conquered us. We formed a union in 1840. We decided to live together. We established a sort of trade agreement. We built a railroad that we are in the process of demolishing. At least give us 25 per cent representation. It will not cost you anything. On the contrary, it will mean a lot for you. You must realize this while there is still time.

After we go, if ever we leave, because we are basically hoping to, it will not have cost you a thing to give us the 25 per cent we are asking for as a gesture of openness and understanding toward a nation you claim you want to keep with you. It seems to me that, if the government really wants to prove conclusively that it cares for us, it must maintain our level of representation.

The Deputy Speaker: Is the House ready for the question?

Some hon. members: Question.

The Deputy Speaker: The vote is on Motion No. 4, standing in the name of Mr. Langlois. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Deputy Speaker: All those in favour will please say yea.

Some hon. members: Yea.

The Deputy Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Deputy Speaker: In my opinion the nays have it.

And more than five members having risen:

[*English*]

The Deputy Speaker: Pursuant to Standing Order 76.1(8), the recorded division on the motion stands deferred.

[*Translation*]

The House will now proceed to the taking of the deferred divisions at the report stage of the bill now before the House.

Call in the members.

And the division bells having rung:

[*English*]

The Deputy Speaker: Pursuant to Standing Order 45, the division on the question now before the House stands deferred until Tuesday, March 28 at 5.30 p.m. at which time the bells to call in the members will be sounded for not more than 15 minutes.

* * *

• (1735)

FIREARMS ACT

The House resumed from March 13 consideration of the motion that Bill C–68, an act respecting firearms and other weapons, be read the second time and referred to a committee; and of the amendment.

The Deputy Speaker: When the bill was last before the House, the member for Souris—Moose Mountain had four minutes remaining in his time.

Mr. Bernie Collins (Souris—Moose Mountain, Lib.): Mr. Speaker, I appreciate the opportunity to speak again to Bill C–68 and the proposed amendment.

An item of the bill that I really feel needs to be addressed is the issue of non–compliance. Many citizens of Canada would be put in a position of being criminals if they did not register their

guns. I hope as we review the bill that we will not allow this to fall into the Criminal Code with regard to registration.

I have some very serious reservations about the search and seizure provision. It needs to be looked at thoroughly. Can it be put in another framework in the bill? If the police want to enter on to one's property, then a search warrant should be obtained. That document would identify the reasons why a search is deemed necessary.

I have some concerns about heirlooms, those items that may be passed on from generation to generation. We have to make sure that we clear up in the minds of the people writing the bill what constitutes an heirloom. Do citizens have a right to pass them down through the family from generation to generation?

I really feel very strongly about collectors and museum pieces. If expensive museum pieces have been collected and retained in families, and they are going to be removed through confiscation, then fair compensation should be paid.

I have a tremendous problem with the five year and $60 fee licensing provision. I would rather see a licensing provision of $5 a year and $25 for five years. That way we can at least indicate to the public that it is not a tax grab.

As I have said before and I reiterate, I am prepared to register my firearms. I believe many people are. However, I would much prefer to see voluntary registration with a five–year lead–in period. At the end of the first year of the registration period we should evaluate whether it is doing what we wish it to do, that it is efficient, affordable and enforceable for everyone involved.

I have some difficulty with the taxpayers of Canada paying approximately $85 million, as suggested, to go through the business of registering firearms. I am not so sure that at the end of the day we will be able to show that the criteria are met.

The committee was completely unified in its position that it would go with voluntary registration with a five–year lead–in period. I would like to think we could go back and look at that one again.

Everyone in the House supports the minister wholeheartedly in those aspects of the bill that deal with the criminal element. We support wholeheartedly the four–year mandatory sentence for the use of a firearm in the commission of a crime. I would rather see a two–year mandatory sentence for the use of a fake firearm in the commission of a crime. I could support that.

With regard to the bill overall, I feel this is the place to voice my concerns. I say today and I will continue to say that as the present bill is put forward, I am not prepared to support it.

• (1740)

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, it gives me great pleasure to speak to the amendment to split Bill C–68.

By creating an omnibus bill with two distinct and opposing objectives, the Minister of Justice has made it almost impossible for many members of Parliament to represent the views of their constituents.

In my riding of Prince George—Peace River, the people have made it very clear that they support stronger crime control measures directed at law breakers. At the same time they are opposed to increased sanctions against law–abiding citizens. They view gun registration as an ineffective exercise which will not increase public safety but will waste valuable police time, scarce tax dollars and impose unnecessary and costly restrictions on the people who are already obeying the law.

Because this is such an important issue in my riding I have sought the views of the constituents through a number of means, including small group discussions, local meetings. I have also requested input regarding anticipated gun legislation in two householders.

Last May while the justice minister was still making comments such as banning all handguns in the hands of private citizens, and suggesting all firearms within city limits should be stored at a central armoury, I asked constituents whether they felt gun control legislation was sufficient before the amendments in Bill C–17 came into effect.

I do not know if many people from my riding ever get called when the justice department does its gun control surveys but only 21 per cent thought we need more gun control.

In November I sent another householder to the homes in my riding and asked if there should be a universal registration system for all guns, including shotguns and hunting rifles. Over 80 per cent of the 1,000 respondents answered no. I have already tabled petitions with over 2,500 signatures which do not support the proposed gun legislation. I am assured by people in the riding there are many more petitions to come.

I have also received hundreds of letters from my riding in opposition to gun registration and I might add thousands of similar letters from other parts of Canada. The focus of 99 per cent of these is crime control, not gun control.

The Union of B.C. Municipalities endorsed the following petition put forward by my home town, the city of Fort St. John. It requested that the federal government ensure that legislation with regard to firearms be geared toward the criminal element and not the law–abiding, responsible gun owner. The elected

representatives from our town councils would not have passed these resolutions without the knowledge that the majority of their constituents supported them.

I would like to read a letter from the most popular radio talk show in the B.C. Peace. The host, Grant Mitton says: "I conducted a poll on 'Contact' this morning and asked the callers two questions: one, are you in favour or opposed to the gun control regulations introduced by justice minister Allan Rock; two, will you comply with registration requirements for your firearms when they come into effect? The answer as anticipated to both questions was a resounding no".

"During our 40 minutes on air, 65 people said they were opposed to the new measures and 51 said they would not comply with the registration requirements. One caller said he was in favour of the regulations".

"These people are not wild–eyed radicals. They are for the most part normal Canadians interested only in pursuing their lives in peace and enjoying the use of their firearms as they have in the past. Many of those who responded wondered how these new regulations will have any effect on the criminal element and suggested the focus should be on enforcing a mandatory prison sentence on anyone who uses a firearm in the commission of a felony".

"The really disturbing part of the survey is the large number of respondents that say they will defy the law. Surely Mr. Rock must see that his proposals will be very difficult to enforce if possible at all".

The people of Prince George—Peace River do not support the bill in its current form and therefore it must be divided. Aside from the widespread resistance to gun registration, the Minister of Justice knows there are a number of other serious flaws in the firearms act. He is trying to slip them by the Canadian population under the pretext of greater law and order. The bill represents a significant attack on the rights enjoyed by the Canadian people.

We believe we live in a free and democratic society. Yet this bill erodes some of those fundamental rights. I am referring for example to sections 99 through 101 which provide police and other designated officers with the right to inspect any place where they have a reason to believe there are firearms, ammunition, a switch blade or even just records pertaining to them.

• (1745)

The police can take samples of anything they find whether or not it is related to a firearm. If the occupant does not fully co–operate with the investigating officers, under section 107 they are subject to up to two years imprisonment.

The minister and other gun control proponents are quick to point out that a warrant is needed to search a dwelling house but that is not what the legislation says. It says either consent of the occupant or a warrant.

When confronted with police at their kitchen door, how many Canadians know they have the right to refuse entry to the officers? Does a teenager home early from school constitute an occupant? Even if the occupant refuses the police entry, officers just have to demonstrate to a justice that they have a reason to believe firearms related records may be present and a warrant is issued.

These powers of inspection are granted to authorities where no crime is suspected. The fact that someone has a registered gun can be used as a pretext to inspect a premises and take samples of anything found. This bill gives them the power to go on fishing expeditions.

Under section 117 of part III of the Criminal Code even more extensive search and seizure powers are granted to police if they suspect a firearms offence such as a non–registration of a gun might be committed.

The police I know will not be going into homes unless they have reason to believe there is a serious offence being committed. If they are not going to use them, why are they giving the police such extensive powers of inspection and search and seizure?

If police suspect a crime they should go through the process of obtaining a proper search warrant. Despite government claims, I am not trying to increase paranoia or inflame anti–police sentiment. It is very important that Canadians fully understand all the possible ramifications of the various clauses of the bill.

Passage of this bill will mean that at least seven million gun owners in Canada will have fewer rights under the charter of rights and freedoms than other Canadians.

Canadians have entrusted the government with the job to protect the rights and freedoms that make us the envy of so many other people in the world. This bill seriously erodes our democratic rights in another area. It represents a growing trend to pass meaningless bills through Parliament, giving all the power of implementing regulations to cabinet.

Under section 110 it takes more than four full pages just to describe all the areas in which the governor in council will have the authority to create regulations. These range from licensing requirements and the establishment and operations of shooting clubs to circumstances such as whether an individual needs a gun to protect their family—clause 110(c).

In section 110(t) the governor in council can make regulations respecting the manner in which any provision of this act or regulation applies to any of the aboriginal peoples in Canada and adapting any such provision for the purposes of that application.

When will the government realize that all Canadians should be treated equally and we should not be entrenching mechanisms and laws for creating different Criminal Code penalties or rights based on race?

Most of section 112 lets the minister bypass the House entirely without laying certain regulations before the House for review if in his opinion the changes are so immaterial or insubstantial or the need is so urgent that section 111 should not be applicable.

Section 112(6) reads: "For greater certainty a regulation may be made under part III of the Criminal Code without being laid before either House of Parliament". This means that through order in council a cabinet can make regulations that put Canadian citizens behind bars—no accountability, no review, no appeal.

Is this how a democratic society functions? How can the justice minister justify this extreme abuse of democratic authority? Do not deny Canadians the right to have their voices heard when it comes to laws that affect them.

This bill is fundamentally flawed and the principles of justice and democracy on which our nation is founded are under attack. I can support many of the changes to part III of the Criminal Code with some amendments but I cannot support the erosion of our democratic rights under the guise of a harmless gun registration bill.

• (1750)

I urge all members to support the amendment to split Bill C–68 into its two very distinct components.

Mr. Myron Thompson (Wild Rose, Ref.): Mr. Speaker, I thank the hon. member for his statement.

Approximately one week ago 82–year old Oscar Noll was working in his jewellery store. Oscar Noll is five feet tall and weighs about 100 pounds. He goes to work at three o'clock in the morning to work on watches. He heard a crash from the window and two thugs came into his store. Remember, he is 82 years old, weighs about 100 pounds and is very frail. He reached under the counter, removed a revolver, fired some shots and scared away the perpetrators. Does the hon. member believe that the individual has the right to protect his life and his property in that manner?

Mr. Hill (Prince George—Peace River): Mr. Speaker, in my opinion Canadians do have a right to protect themselves and their families and to use a firearm to help them in protecting themselves. That is not the view shared by hon. members across the floor. A large percentage of them are opposed to that. However, I firmly believe that Canadian citizens do have that right.

I have spoken about this before. The police, no matter how well intentioned, if we look at the statistics, simply cannot respond quickly enough, even in cities, to intervene when the crime is being committed. Canadians have to take responsibility for protecting themselves. Unfortunately the police cannot. Usually when the police respond it is after the crime has been committed and their job is to apprehend the criminal and bring him or her to justice, not to protect the citizens of this country.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, you would think this bill was about guns. To me it is not. It is about matters of life and death. It is about what kind of society we want to live in and it is about what kind of society we want to leave our children. It is about progress as a civilized nation. That is what it is about.

I have seen in the campaign against this legislation the kind of lobbying I usually associate with the United States, the kind of lobbying done by the National Rifle Association, based on misinformation, half truths and out and out lies.

I keep hearing about law–abiding gun owners and yet I keep hearing about law–abiding gun owners who intend to defy the law. There is something contradictory in that. I keep asking gun owners who come to see me to talk about this legislation what will diminish their pleasure in partridge shooting because their gun is registered. I have not heard a good answer to that. I do not think there is one.

Reform members keep telling us they want to support grassroots democracy, that they want people to have more say about how their elected representatives vote in the House.

• (1755)

They know perfectly well that 90 per cent of their constituents support this legislation and support the very aspect of it they make the most noise against, the registration of guns.

The NDP has sat in the House for the time I have been here, since 1988. It has had a party policy in support of stronger gun control. I sat in the House, as did the member for Halifax and numerous members who are here, listening to the NDP, including its leader who now intends to vote against gun control legislation. We listened to those members accuse the previous government of legislation that was not tough enough, not strong enough. Now they have tougher and stronger legislation and they intend to vote against it.

I have to talk about the kind of feedback I have had from meetings of those who are against this legislation and against gun control. I have heard out and out misrepresentation of this legislation. I have heard over and over again: "This legislation means a police officer can come into my house at any time without a warrant, inspect my home and seize my guns". No it does not. Let us get the facts out if we are going to debate a bill. The bill gives the police no right to come into anybody's home and take anything without a warrant unless they believe there is an illegal gun in there.

Let me talk about the contradictory messages I am getting. The Ontario Association of Anglers and Hunters is opposed to registration. Its members wrote a very impassioned plea to our

local newspaper asking for the support of another organization in their campaign for the universal registration of hunting dogs for the protection of the dogs. Is that not a contradictory message?

Let me remind people out there why we are doing this, why guns make our society violent, less compassionate, less safe. The vast majority of gun related deaths and injuries are not the result of shootings at the corner store, the drug deal gone bad, or the bar. The vast majority of deaths and injuries by guns are in the home. It is a greater problem than the criminal misuse of guns in the streets.

The largest proportion of homicides occurs in the home. Of the 1,400 deaths per year caused by guns, fully 1,100 are suicides; over 200 are homicides and the remainder are accidents. The greatest threat of homicide is not at the hands of strangers on the street, in the corner store or even in the break–in at home. The majority of gun homicides—86 per cent—is caused by family members, friends or acquaintances.

Guns are a particularly serious threat to women. If I take this bill seriously there is very good reason. Some members have already said that a woman is killed every six days. She is killed in her home 67 per cent of the time. From 1981 to 1990 almost one–half of women killed were killed by spouses or ex–spouses. A further 27 per cent were killed by acquaintances. Almost one–half of women killed by their partners are shot with a gun. Yet the members from the Reform Party can sit there when we talk about a serious issue like the deaths of well over 1,000 people a year and say: "Pow, pow" as if it is a little game.

Seventy–eight per cent of the guns used in these killings of women are legally owned. Police are likely to have intervened in domestic violence before it comes to the point of homicide. However, right now without a registration system they have no way of knowing before they go into a violent situation in the home whether there is a gun there. That is one reason police associations and the Association of Chiefs of Police support this legislation.

Domestic and other intimate assaults are 12 times more likely to result in death if a gun is used. Yet members on the opposite side of the House think this is not a serious problem for our country.

• (1800)

We also know that young people contemplating suicide sometimes act impulsively. If firearms are not readily available, lives can be saved.

I want to talk about a 15–year old teenager who attended a meeting with the justice minister. He said that he had gone home from school one Friday afternoon determined to kill himself. Not too long after a friend of his who was worried about him decided to check on him. By doing this, his friend prevented him from killing himself.

The young man told the justice minister and other members at the meeting that if there had been a gun in the house, he would have been dead before his friend had arrived. As it is, he is a 15–year old who is still in high school, doing well and has a great future ahead of him.

This legislation, if it prevents one death like that of this 15–year old boy, will be worth it. We cannot forget our children. Since 1970, 470 children have died in accidents with firearms in their own homes. These are largely guns owned by their own families.

I am also particularly supportive of the measure to include handguns in the prohibited weapons category. Let me give a ridiculous example.

Recently, the city of Chicago banned the sale of spray paint because the cost of cleaning the graffiti on buildings is exorbitant. For us as a society, the cost of death by firearms is exorbitant. A similar ban on handguns will help prevent some of those deaths.

This bill is about what kind of a society we want. Frankly, I want to move forward into a future where violence, power and physical control are not the things that determine how we govern ourselves and how we live. This bill is a progressive step forward to that better future.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, if ever evidence was needed that this debate is very highly polarized and charged probably with misinformation on all sides, it is in this debate today.

When I became embroiled in the whole gun control issue it was evident to me that the position a person would take on the debate depended at which end of the barrel that person was going to find themselves. We can see this in the House today not just on this side but on the government side and perhaps on the Bloc side, if they would speak on this.

Very clearly this is a debate on the bill which is charged emotionally and divides the country, as if we needed one more reason to be divided. This divides us on rural–urban issues rather than language issues, cultural issues or some other issue. Anyone who would suggest this is not a rural–urban issue has not been following it because very clearly it is.

Our country, as everyone knows, is thousands of miles across. All areas of the country are different. One rule of law on guns may not make sense in downtown Toronto but perhaps it makes sense somewhere else, either the maritimes or the prairies.

There is wisdom in splitting this bill and I urge the Minister of Justice to carefully consider this. It would be an opportunity for people from both sides of the House and from all over the country to come together on that part of the bill about which everyone agrees, namely those issues aimed directly at crime control, such as mandatory sentencing.

There are other aspects of this bill which concern most Canadians from that part of the country which is less enamoured with the whole notion of gun control. For example, there is the registration of handguns, which is already a fait accompli. We are supposed to be registering them now.

If anyone were to purchase a rifle or a shotgun today, it would be registered. There is nothing wrong with the notion of centralizing the registry of these weapons. Your name and address would be taken. There is no problem with that. It is the notion of a universal registration.

• (1805)

Before I get into the heart of what I want to talk about, I want to say that I am going to be voting against this bill despite the results of a survey I commissioned and which I believe to be accurate. Residents in my constituency, a majority of 69 per cent, would prefer to see universal registration. However, I am prepared to go against that in the full knowledge that this is causing me some grief.

Before I get into that, I would like to spend a couple of minutes to pay a particular vote of respect to two people for whom members may not expect to hear many kind words from this side of the House. They are Wendy Cukier and Heidi Rathjen from the Coalition for Gun Control.

When Heidi's friends and associates she went to school with were killed at the École polytechnique in Montreal, it caused her to do something. She wanted to rid our country of the kinds of weapons that caused that outrage and terrible massacre. We do not need automatic weapons in our country; we just do not need them. Many years ago she set upon this long journey to rid our country of these weapons. She enlisted the aid of Wendy Cukier and between them they formed the Coalition for Gun Control.

I would bet that they did not think they would ever have the sun, the moon and the stars all line up to find themselves with the Liberals in government wanting to address the issues of the people in the vote rich areas of downtown Toronto or Montreal. This decision was made in order to get elected. In my opinion it was not based on what was right for the country. It was a decision on what they could do to get elected. They appealed to people who, for good reason, were afraid of guns. The idea then became a red book commitment.

In some way that is unfair to the intent of Wendy and Heidi. They wanted to rid our country of the dangers posed by weapons and from the crimes involving the use of weapons. They wanted to focus attention on this. I do not think in their wildest dreams they ever expected everyone, no matter where they lived in the country, was going to be forced to register shotguns and rifles. In any event, this is the point we are at now.

By justice department estimates, it is going to cost $85 million to set up the national registry over a five–year period, plus a further $60 million if you accept the fact that there are six million long guns presently in the country. If that is the case, over five years it is going to cost $145 million to register guns. That is a modest estimate. Others say it will cost upward of $500 million or even more, but let us go with the low end at $145 million.

Our country is going into the hole at the rate of $110 million a day. We would be using money to register all of these weapons for which there is not one iota of evidence it will prevent one single, solitary illegal use or crime committed with a gun. The last time I checked, criminals do not get a permit nor do they register their guns. We will be spending $145 million so that some people, particularly those who wrote the Liberal red book can feel warm and fuzzy when they go to bed at night. That is not an honest or prudent way to run the country.

If there were a shred of evidence to prove that registering long guns would in any way prevent crime, then I would be most happy to support this bill. However there is no such evidence. We will then go to the money markets of the world and our children and grandchildren will be borrowing money and paying interest on that money and they will have a standard of living depreciated by the fact that we will be raising this money to spend on registering long guns. Imagine if we used that same money, the same $140 million over five years, for breast cancer research. Would that be a more efficient use of the $145 million?

• (1810)

It is not easy to stand here because I am not a hunter. I do not have a gun. I have not had a gun for years. I originally commissioned a poll in my constituency to buttress my argument within our own caucus. In so far as this is not a moral or ethical issue I am not bound by the poll. It was for guidance. I wanted it to buttress my argument. I wanted to have that argument buttressed within my own caucus so that when I voted against our caucus position I could say clearly this is why, I am representing my constituents.

In evaluating what I was doing here in Parliament over the last year and a half I came very clearly during the Christmas break to understand that I was here for three specific reasons: to restore fiscal responsibility to our nation; to put the rights of victims ahead of the rights of criminals; to restore the bonds of trust between the elected and the electors.

I cannot in conscience spend $140 million to accomplish something clearly not accomplishable through the expenditure of this money, and on one hand spend the money and on the other hand try to save it.

My constituents have very clearly sent me here to bring fiscal sanity to the spending affairs of our country. That is why I will regrettably vote against Bill C–68.

Mr. Julian Reed (Halton—Peel, Lib.): Mr. Speaker, almost everything has been said about this very troublesome piece of legislation.

I listened with concern and share the concerns of the hon. member for Souris—Moose Mountain. I listened to the concerns and share the concerns of the hon. deputy whip. I listened to the statistical projections of the hon. member from the Reform Party. I do not know whether there are many more details to add to the debate. I will add a few and then make a few points.

I do not know that every concern regarding registry has been addressed. There is still the concern about weapons that have no serial number, weapons that are home–made. There are still some people whose hobby it is to manufacture firearms and ammunition. I have not seen anything in the bill which covers that.

It was pointed out to me the other day by one of my constituents that serial numbers can overlap, that there can be the same serial number on more than one weapon if there are two licensed manufacturers of the same model of firearm. I put those forward as a concern.

Other concerns about the issue of confiscation and so on, about the provision for firearms that have special significance for families to be preserved, will be addressed in the justice committee. Handguns in prohibited classes will be addressed in the justice committee. Firearms used in re–enactments and heritage events will be definitely addressed in the heritage committee.

I have asked for time to address that committee in order to highlight some of those concerns.

• (1815)

I also realize that registry is an issue that is larger than individual weapons, unless I misread the bill. The registry goes beyond individual ownership and gives the government the right to have other weapons in transition registered so that the law enforcement people will be able to calculate the shrink that comes from a shipment of weapons into the country.

I will restate what many other members have pointed out. The bill has three legs. One leg has to do with the smuggling of guns and the attack on smugglers. I think everyone agrees with that. Regardless of whether we are Reform members, rural members or urban members we all very much agree. We all appreciate some of the stepped up activity of the police, especially around the area where I live. Recently they have been able to seize large quantities of weapons.

The second leg is the question of sentencing, the imposition of a four–year mandatory sentence. With the imposition and with the moves the Minister of Justice will make on the issue, I sincerely hope the offence will not be plea bargained away in the future as has been done in the past. I find the plea bargain aspect offensive in itself.

The third leg concerns registry and the other aspects of firearms ownership. I have concerns. It has been painful to go through the exercise, but I point out to those who are opposed to registry that every law made in the country is in one way or another an infringement of rights.

Laws are not made for the vast majority of law–abiding citizens but are made for the few. There is no dichotomy here with the laws regarding guns. These laws are brought into being for the few who have no regard for human life, who lose regard for human life, or who want to use a firearm to commit a crime and have no conscience about doing so.

I plead with those who are opposed to consider that laws concerning robbery, laws concerning theft and laws concerning speeding are not made for the many. They are written to protect the many from the few. I must go on record as saying that there is no right to bear arms in Canada. Ownership of firearms in the country is a privilege and not a right. We should always remember that.

With the struggle I have personally had as a member with the bill and my struggle with the conviction that a registry will be effective, I do not want to throw out the baby with the bath water.

I want to see the legislation go to committee to be amended without affecting the principle of the bill necessarily but injecting some common sense and projections into the bill so that legitimate firearms owners will feel comfortable and that the sacrifices they are making will be made in the spirit of protection of the many.

• (1820)

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, this has certainly become a very partisan and polarized debate on gun control.

I hope the Minister of Justice will listen to the argument being put forth by the Reform Party in favour of splitting the bill into two parts. Presumably the focus is on the reduction of crime and the enhancement of the safety of Canadians.

With the way the Minister of Justice is proposing the bill we would think every gun owner in the country is a criminal. That is far from the truth and an insult to Canadians who own guns.

There are approximately 2.7 million Criminal Code infractions in the country per annum. The number of gun related incidents under the Criminal Code would be about one–half of one per cent or even less. Yet the Minister of Justice proposes to spend a couple of hundred million dollars or more to try to reduce the one–half of one per cent.

This will not be money spent finding criminals. This will not be money spent prosecuting criminals. This will not be money spent keeping criminals in prison. It is a couple of hundred million dollars to address the fact that one–half of one per cent of crime is committed with firearms.

The minister quoted statistics. He said that the majority of Canadians were in favour of gun control. Let us remember that a large segment of Canadians do not own guns. I happen to be one.

When we ask Canadians if they are in favour of registration and they do not own guns, chances are good that they would say it does not bother them a bit so why would they be opposed?

Last fall the Minister of Finance held his prebudget hearings across the country and listened to Canadians talk about the budget. They all said the deficit had to be addressed. They said: "We have to increase taxes but don't increase mine". Or, they said: "We have to cut expenditures but don't cut me". It is the same rationale when we ask people if they are in favour of gun control. If they do not own a gun they will be in favour of gun control because it means absolutely nothing to them.

Section 85, as it currently exists, is one of the few sections of the Criminal Code that calls for a mandatory sentence. Quite often it has been plea bargained away. We in the Reform Party have always said that if the present law is not working perhaps we could change it. They should demonstrate to us that the minister's proposals will be an improvement.

Last fall I wrote to the Minister of Justice and I asked him how often section 85 was plea bargained away. Section 85 calls for a minimum mandatory jail sentence, no fines, for using a firearm in the commission of an offence. How often do we plea bargain that away? The minister said that he did not know. He said that he did not have the statistics to know how often we plea bargained it away.

Therefore we do not know if what is on the books today would work if used properly. The Minister of Justice admitted that he did not know. Why is he putting forth gun registration and why does he think it would work?

We also asked the Minister of Justice: "Since you tell us that this will reduce crime, by what measurement would we know that your proposals are a success?" He could not answer. He did not have any measurement by which he could tell us how many lives would be saved or how many crimes would not be committed because of registration. The minister has no facts to back up his arguments.

Four points should be looked at when one proposes legislation. Is it relevant? Is it effective? Is it an efficient way of addressing the situation? Is there a better way? Let us take a look at them.

Is it relevant? Yes, we have crime in the country. Every country has crime. Yes, we should be tough on crime.

• (1825)

The Minister of Justice is proposing that we be tough on people who destroy their guns and do not send in a piece of paper to the authorities. They will get five years in jail for not sending in a piece of paper.

What about somebody who does not have a proper licence? They will get 10 years in jail. That is what the minister is proposing. Yet Denis Lortie walked out as a free man after 10 years in jail. He murdered three people in the Quebec legislature and injured thirteen more. After 10 years he was a free man, and for not having a piece of paper the Minister of Justice is proposing the same punishment.

Is it relevant? Laws that will stop criminals from committing acts and punishing them severely for their wrongdoings will be supported by the Reform Party. That is relevant. Does the minister feel that registering all guns at a cost of $200 million or more will reduce crime? I am quite sure he know it will not. Therefore it is not relevant and the section he is proposing to force upon thousands of Canadians is totally absurd.

Will the bill be effective in meeting its objectives? There is no evidence whatsoever the universal registration the minister is proposing will reduce crime. He even said so himself. He could not answer the question when we asked it. Since then he has not put forward anything to suggest he has any concrete measures by which it would be a success.

The minister should look at the Reform proposal to split the bill into its two segments. We find registration irrelevant. However addressing the criminal use of guns and firearms is relevant and we would support it.

I have already talked about the crime of failing to produce a certificate, five years in prison and so on. Let us compare using a gun to a drunk person driving a car. The minister of justice spoke eloquently about drunkenness today in the bill he introduced in that regard. More people are killed on the road by drunk drivers committing illegal acts than by Canadians using firearms illegally. We do not have anything nearly as draconian as he is proposing.

If a person fails to renew a car registration form I understand in the province of Ontario the fine is $5.50 a month. If a person, however, fails to register a gun it is 10 years in jail. That seems a rather strange dichotomy: 10 years in jail for not registering a gun and $5 a month for not registering a car. Under illegal circumstances they are both every bit as lethal. That is the point.

What about people who drive without a licence? In the province of Ontario the fine is $265 and in the case of a gun it is 10 years in jail.

Will the legislation be efficient in addressing the problem? We have said as Reformers that if it is split into the criminal aspect it will be efficient. If it is split into the other segment, registration for all Canadians is totally and absolutely inefficient. My colleague from Edmonton Southwest said: "My goodness, we have to borrow $200 million more and pass the bill on to our grandchildren, just so the Liberals can say they are trying to do something about crime when in fact they are doing nothing".

In closing, we are saying to the Minister of Justice that 99 per cent of gun owners handle their firearms safely. They store them securely. They use them responsibly. Therefore they should be left alone. The other 1 per cent who are criminals and commit criminal acts are the ones he should be focusing on. That is what Canadians want and deserve. They do not want a Minister of Justice simply playing politics and not doing his homework to produce the statistics to support his argument.

ADJOURNMENT PROCEEDINGS

• (1830)

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

FISHERIES

Mr. John Cummins (Delta, Ref.): Mr. Speaker, in Dartmouth last September NAFO established a total allowable catch of 27,000 tonnes of turbot for 1995. In announcing the NAFO agreement, the Minister of Fisheries and Oceans assured Parliament that "Canada will have for the first time the right to board and inspect the vessels catching turbot and to ensure that the proper rules are being followed to conserve this important stock," something he has failed to do.

On February 1 NAFO met to allocate the 27,000 tonne catch. The practice for such decisions is to seek consensus because members have the right to object to decisions and withdraw. Against the advice of members who would later support Canada, the Minister of Fisheries and Oceans forced a vote on a Canadian proposal for quota allocation. The resulting agreement gave Canada 60 per cent of the catch, up from about 10 per cent. The European Union got 12.5 per cent, down from about 75 per cent of the catch for the previous three years.

The Minister of Fisheries and Oceans has made every effort to make his dispute over the allocation with the EU into an exercise in eco–aggression. As the *Financial Times of London* noted:

> The fact that Canada had tried to garner such a large proportion of the quota—some 70 per cent against 12 per cent for the Europeans—somewhat tarnishes the country's claim that it had to intervene to save the fish from impending extinction.

Tony Pitcher, director of the Fisheries Centre at UBC said: "Canada's newly acquired 60 per cent share of turbot was a radical shift in allocation that came too quickly for some fishing nations to accept willingly".

In our desperate need to find a hero out of all this bumbling and blustering, we ignored the fact that the *Estai* had been boarded for inspection by Canadians 11 times since January 1994. On each of those occasions Canadian officials could have and should have inspected the holds and found evidence of baby fish being caught. They could have and should have waited until the net was hauled in and discovered the liner.

The only advantage to the bumbling and bluster has gone to the Spanish who can now fish without fear of inspection. With the arrest of the *Estai*, the Minister of Fisheries and Oceans lost the ability to board and inspect foreign trawlers fishing in the NAFO regulatory area beyond our 200–mile limit.

The size of the fish on the *Estai* should not have been a surprise. They were consistent with the catch reported by Spanish and Portuguese trawlers in 1993 and reported in NAFO scientific papers in 1994. Those papers report a shockingly steady decline in biomass from about 225,000 tons in 1984 to 37,000 tons in 1992 and that few fish larger than 46 centimetres were sampled in the 1993 catches. Considering that sexually mature turbot will be at least 60 centimetres long, it is questionable whether we should have agreed to fish turbot at all this year, let alone try to out–manoeuvre the EU for a larger allocation.

On the Flemish Cap we now have the worst of both worlds, neither NAFO inspection by Canada nor enforcement of the new regulations. On March 3, 1995 when the regulations were enacted we were told they were essential to deter overfishing by Spanish and Portuguese fishing vessels on both the nose and tail of the Grand Banks and the Flemish Cap.

The 1994 NAFO Scientific Council report cautioned that since the turbot is a single stock, it is necessary to regulate both the nose and tail and the Flemish Cap. To fail to do so, in the words of the report, could lead to the collapse of the fishery.

The March 3 regulation prohibited Spanish fishing on both the nose and tail and on the Flemish Cap. Since the regulation became law, the government has backed off, leaving the Flemish Cap exposed to unregulated fishing.

The test of the government's action is whether it advances the protection of turbot stocks in the NAFO regulatory area on both the nose and tail of the Grand Banks and the Flemish Cap. The question is, why did Canadian officials fail to carry out adequate inspections of the *Estai* and other Spanish fishing vessels?

Mr. Harbance Singh Dhaliwal (Parliamentary Secretary to Minister of Fisheries and Oceans, Lib.): Mr. Speaker, I want to thank the member for Delta for his question.

The member opposite has raised two related issues, namely undertaking more inspections as well as the results of an inspection by Canadian fisheries officers of the Spanish vessel, *Estai* in January. Let me deal with each in turn.

First, the question of conducting more inspections. As the minister told the House last Friday, given the increasing tension between Canadian fisheries officers and the Spanish fleet, unarmed fisheries officers would not be asked to conduct any activities which would pose a threat to their safety. I believe that the member would endorse the minister's position.

Let me also provide some background on the NAFO inspection system. As the member should know, NAFO provides inspectors from contracting parties with the authority to board and inspect vessels in the NAFO regulatory area. However DFO inspections take place in less than ideal conditions. NAFO procedures require that the inspections be conducted in a manner that prevents interference and inconvenience to the vessel's operation.

In the limited time provided for inspections, it is neither practical nor feasible to search for duplicate logs at sea. Searches of the hold are restricted by time, the volume of fish product in the hold and the inability to move product, given the vessel is in motion and the restricted space available in the freezers. It is only too easy to hide illegal catch in areas which would be accessible only after a comprehensive search, accompanied by removal of the product from the hold.

In addition, fishing vessels know that the patrol vessels are operating in the area and can avoid the use of illegal gear during times when inspection may be likely. For example, liners in the nets may be removed during the day when weather permits boarding. Inspectors cannot verify vessel logs against the contents of the hold given the volume of product on board. While inspectors may suspect misreporting, they are often unable to find the proof required to issue a citation.

Despite these limitations Canadians carried out NAFO inspections and issued 52 citations in 1994, 44 of them to European—

The Deputy Speaker: The parliamentary secretary only gets two minutes under our rules at this moment.

Pursuant to our standing orders, the motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m.

(The House adjourned at 6.38 p.m.)

HOUSE OF COMMONS

Tuesday, March 28, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 25 petitions.

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CANADIAN SECURITY INTELLIGENCE SERVICE

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I have the honour to table in both official languages, the 1994 Public Report and Program Outlook of the Canadian Security Intelligence Service.

* * *

PUBLIC SECURITY

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I rise today to present to Parliament the fourth annual statement on public security. I have just tabled in the House the 1994 Public Report and Program Outlook of the Canadian Security Intelligence Service.

This year, for the first time, the CSIS public report provides both a review of the current security environment and a projection of CSIS resource requirements in future years.

As well, in the program outlook section of the public report, the service gives detailed breakdowns of both budget and personnel levels in this and future years. This is a continuation of the government's commitment to accountability and openness in the security sector.

[*Translation*]

1994 was marked by a number of events involving CSIS. The allegations made last summer regarding the service's connection with the Heritage Front were investigated extremely carefully. In spite of the stir caused by all these events, CSIS continued to operate and adapt to a changing world.

[*English*]

1994 also marked the 10th anniversary of the creation of CSIS, our civilian security agency. What a change we now see from those early days of 1984 when the Warsaw Pact alliance, under the leadership of the Soviet Union, was one of the dominant factors in world affairs.

In 1984 we were in the middle of an era of east–west relations where the focus of security services such as ours was aimed at the counterintelligence aspects of protecting national security. It could be said that 10 years ago when CSIS came into being it was a simpler world. We thought we knew where most of the threats came from and therefore targeted our resources accordingly.

Today we face a very different situation from 10 years ago with the disintegration of the Warsaw Pact following the collapse of the Berlin wall in 1989 and the end of the intelligence struggles of the cold war. We know and are very much aware that today's threats come as much from groups and individuals as they do from sovereign states. Today's threats are targeted as much against economic targets as they once were against military objectives. Today's threats involve organizations which do not recognize international boundaries or jurisdictions.

We have also seen the emergence of new national security threats, including weapons proliferation and an increase in transnational organized crime. Along with the evolution of some of the mainstream global linkages such as those in business, information and technology, security issues as well have become truly global in nature. Just last week we were witness to a shocking act of terrorism on the subway lines of Tokyo. These senseless acts have a chilling effect on public confidence. They bring home immediately and graphically the concerns we all have about the continued proliferation of nuclear, chemical and biological weapons.

Canadians have had to deal with terrorists and acts of terrorism. We must continue to do our part to monitor and combat international terrorist organizations in order that tragic incidents do not repeat themselves.

CSIS works hard to contribute to the international fight against terrorism through its domestic security investigations as well as through liaison with foreign counterparts, by working closely with domestic police services at all levels and through effective consultation and information sharing with other government departments.

• (1010)

CSIS helps to prevent terrorists from either entering Canada or from using our country as a recruiting or a training ground for illegal activities. Coupled with this international co–operation is a concerted effort, through the CSIS counter–terrorism program, to prevent foreign conflicts from taking root in our communities.

In order to accomplish this CSIS undertakes a broad range of activities such as investigating attempts by terrorist organizations to raise moneys in Canada to support terrorist acts in other lands, to manipulate members of immigrant communities in Canada or establish safe havens for those who have committed acts of terrorism in their homelands.

[*Translation*]

It is ironic that the very characteristics of this country that give us this quality of life we enjoy in Canada and endear it to honest citizens are also the ones that attract terrorists looking to escape international justice.

International terrorism has become such a serious concern that discussions at the highest level will continue. I expect this is an issue the Prime Minister will raise at the G–7 summit he will be chairing in Halifax in June.

[*English*]

Although serious political violence is most frequently manifested in the international arena, it can also find its roots within our nation's borders. The Heritage Front affair brought home for many Canadians the fact that terrorism has a psychological component as well as a physically violent one. It brought home the fact that extremist organizations such as the Heritage Front operate both in our major cities and in our rural communities.

It gave Canadians a rare glimpse of how our security service investigates the kinds of political extremism that can pose a threat to our national security. The Heritage Front affair also gave Canadians an insight into the checks and balances which were built into the CSIS act.

The allegations surrounding the service's involvement with the Heritage Front triggered an immediate investigation by the Security Intelligence Review Committee, just as the legislation intended. This test of the review mechanisms in the CSIS act reaffirmed the importance of these mechanisms and confirmed that they are generally working well.

SIRC conducted a thorough and timely investigation of the allegations and presented a report which found that the white supremacist movement "was and is a threat to the security of Canada", that CSIS acted properly in its dealings with the Heritage Front, and that the allegations made against CSIS were without foundation.

As members of the House know, the service is expressly prohibited from investigating lawful advocacy, protest or dissent. However, it is mandated to investigate politically motivated acts of violence. I am sure that all members of the House will agree that racism, neo–Nazism and white supremacism have no place in Canadian society and certainly do not belong in Canada.

The accountability cycle does not end with special reports of the Security Intelligence Review Committee. It is important to note that in response to the variety of allegations which accompanied the Heritage Front affair, the inspector general of CSIS prepared a report dealing with the handling of national security documents in the office of my predecessor and is also preparing a report on the handling of human sources by the service. As well, SIRC performs ongoing work in the preparation of its annual report, which I as Solicitor General tabled in both Houses of Parliament in the fall of this year.

Operational accountability is one thing, but in these times of restraint and program review there is a need for fiscal accountability as well. Last year, for the first time, CSIS' actual salary, capital and operating costs were released by me in what I referred to at the time as a three–line budget. I should point out that this is a major departure from the traditional one–line budget that is released by most western intelligence services.

• (1015)

This year, in conformity with the changes this government has implemented in order to provide members with more meaningful financial information, I am pleased to report that the CSIS 1994 public report and program outlook provides more information than ever before about the service's resource and personnel levels. I want to compliment the service on being one of the first government departments or agencies to publicly release their program outlook documents.

Upon examination of the program outlook, and I conclude my statement with some comments about this, members will find that CSIS is being fiscally responsible and is a full partner in the government–wide program review exercise.

It will be noted that the service's resource levels will decrease from $206.8 million in the 1994–95 fiscal year to a projected $159 million in 1997–98. As well, the personnel levels will drop from a peak of 2,760 under the previous government to roughly 2,000 by 1997–98.

This means that the service will have to continue to respond to Canadian security needs in a manner consistent with the government's fiscal targets. I want hon. members to know that I have been assured by the director of CSIS that the situation is

manageable and will not compromise Canada's national security.

I look forward to the comments of opposition colleagues. I hope they will agree that the global security intelligence environment is a volatile and unpredictable one. I trust they will understand that the basic nature of threats to national security have changed with the times and that this government and its security service are adapting to those changes.

I hope members opposite and Canadians as a whole will recognize the need in these rapidly changing times for the continuance of a domestic security service. We must be prepared to deal with threats to our national security. To do otherwise would be irresponsible and could lead to the undermining of our cherished freedoms and values.

[*Translation*]

By passing the Canadian Security Intelligence Service Act in 1984, Parliament established an organization responsible for ensuring the security of Canada and its citizens, while at the same time providing mechanisms, in the legislation, to fully protect the rights and freedoms of Canadian citizens.

[*English*]

I believe those goals are being met by CSIS. I am confident they will continue to be met in the future.

[*Translation*]

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, first of all, I wish to thank the Solicitor General of Canada for sending me the notes for the statement he gave today on national security.

We must keep in mind that, in his 1992 response to the first statement on national security, the Liberal member for Scarborough West pointed out that then Solicitor General Doug Lewis had hardly said anything in his statement, only assuring the Canadian public that CSIS was not doing anything illegal. To support his statement, the former Solicitor General quoted the reports from the Security Intelligence Review Committee or SIRC.

However, we now know that CSIS acted, if not illegally, at least in a highly questionable manner in its dealings with the Heritage Front and the Reform Party while the Solicitor General was preparing his first statement on national security.

As in previous statements, the solicitor general announced today that the review mechanism provided under the law was tested by the Heritage Front affair. The solicitor general proudly said that SIRC concluded that the allegations made against CSIS were without foundation.

In fact, the statements on national security are silent on this and sound pretty much the same year after year. We in the Bloc Quebecois—and probably the members from the Reform Party and even some Liberal members as well—suspect that today's statement by the Solicitor General ignores whole aspects of CSIS activities.

• (1020)

Does CSIS engage in legal or illegal activities? No one knows, not even the Solicitor General. According to the inspector general for CSIS, the annual reports submitted by that service to the Solicitor General do not provide an accurate picture of its activities. Consequently, it is nearly impossible to think that the Solicitor General can hide from us information which may not have been transmitted to him regarding the real activities of CSIS, whether these are successful or not.

Let me remind you, Mr. Speaker, as the hon. member for Berthier—Montcalm pointed out last year, in reply to the third statement on national security, that SIRC members are all supporters of the Conservative, Liberal or New Democrat party. Neither the official opposition, nor the Reform Party is represented on the Security Intelligence Review Committee. The five members of that committee are not ordinary citizens. If you look at the lists of contributors to the federal parties since 1990, you will see that SIRC members contributed a total of about $34,000.

The member associated with the NDP distinguishes himself from the others by contributing an average of less than $200 per year to his party, which may be an indication that the NDP must is in poor shape. The Conservative and Liberal SIRC members contribute an average of over $2,000 per year to their respective political party. The official opposition is asking that current SIRC members be replaced, so that this monitoring committee can better represent the Quebec and Canadian population, and also better reflect the 35th Parliament, as it was shaped by Canadians in the October 1993 federal election.

The Solicitor General's statement on national security is silent on the activities of the Communications Security Establishment. Yet, all those involved feel that the CSE, which receives its instructions directly from Privy Council, in other words the Prime Minister's office, poses a serious threat to the freedom of all Quebecers and Canadians. The CSE can easily intercept any telephone conversation in Canada, whether these communications are transmitted through satellite or the microwave toll network. This means that the CSE can intercept virtually any long distance or international phone call placed in Canada.

I may recall what the Deputy Prime Minister said last year in response to questions from official opposition members about allegations made by a former CSE employee. The former employee accused the CSE of spying on Canadian citizens, and most Canadian espionage experts confirmed this, but the Deputy Prime Minister always gave the same answer, and I quote: "The CSE has no mandate to spy on Canadians".

The Deputy Prime Minister never said that the CSE does not spy on Canadians. She simply said that the CSE had no mandate to do so. The Prime Minister said that the CSE no longer spies on Canadians, which implies that the CSE did at one time. However, the Prime Minister never repeated what he said inadvertently.

What do we know about the apparently unwarranted and perhaps even unlawful activities of the CSE? Almost nothing, except for a few articles by reporters and a book by a former CSE spy. No details in the Estimates. Although the most obscure council subsidized to the tune of one million dollars provides detailed information on its operations, we know nothing about the CSE and its activities. Should we simply forget about the individual rights protected under the Quebec and Canadian charters of human rights, when the CSE is manifestly engaged in electronic eavesdropping?

The annual statement by the Solicitor General does not even mention the CSE.

• (1025)

I hope that the government, considering the adoption of Motion M–38 presented in this House which proposes concerns monitoring the CSE through an outside civilian authority, with the requirement to report to Parliament, will table as soon as possible a bill providing for an external mechanism to monitor the Communications Security Establishment.

[*English*]

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, it is my pleasure to have this opportunity to respond to the Solicitor General's statement on national security.

The minister is quite right when he states that we are facing a very different world than we did 11 years ago when CSIS was created. Although Canada was generally considered to be a peripheral player in the world of espionage, our proximity to the United States made this country a base of operations for hostile intelligence services operating against the Americans.

The traditional targets of the Warsaw pact nations have disappeared and some of our old adversaries are now our friends. At the same time, we see a different relationship with some of our old allies.

Recently the French and Americans quietly expelled some of each other's diplomats for activities that were inconsistent with their duties. I understand this is the diplomatic way of saying these people were kicked out of each other's country for spying.

Imagine if the French and Americans, two countries which have had cordial relationships going back to the American revolution, start spying on each other. Is anyone safe in today's environment? We used to be able to rely on our NATO allies to put up a common front against the communist bloc. How times have changed.

Today, the country that is viewed as the greatest threat to Canadian sovereignty is none other than our NATO ally, Spain. As Canadian and Spanish vessels play out a game of high seas brinkmanship off the Grand Banks, Canada is seeking diplomatic support among other countries, including Russia. I only hope during this confrontation that all Canada's intelligence agencies are providing our government with the best possible information and analysis that is available.

I agree with the minister that there is a need for Canada to have a security intelligence capability. The Reform Party supports the use of such agencies, as long as they are accountable to citizens of Canada.

Canada's intelligence services are faced with a rapidly changing political environment. How well they are able to adapt to it may become evident in the weeks ahead. Let us hope they pass the test.

Turning our attention to the world of counter–terrorism, the minister points to the recent nerve gas attack on the Tokyo subway lines as an example. It is interesting that he used this example to justify our continued vigilance against terrorist attacks. Last year it was the bombing of the World Trade Centre in New York. Both these incidents were high profile attacks on innocent civilians and both appeared to have involved intricate conspiracies. Yet these two attacks had two very different groups behind them.

The attack on the World Trade Centre appears to have been the work of a fundamentalist Islamic group carrying on with its traditional battle against what it perceives as American imperialism. This incident can probably be viewed as a traditional terrorist attack.

The nerve gas attack in Tokyo is very different. Here the group that is suspected of being behind the terrorist action is a religious cult. It is not a group previously thought to be a terrorist organization, but rather an eccentric religious cult.

We have several religious cults in Canada. Are they capable of terrorist activities? Who knows? Does CSIS? Would CSIS be monitoring this doomsday cult if it was in Canada? When does an eccentric cult go from being a relatively harmless religious sect to being a threat to the security of the nation?

If an intelligence agency is to be useful, its interest in the group has to occur before the attack, not after. The question remains: Could CSIS have monitored a similar religious cult in Canada and prevented a nerve gas attack in Canada? It likely could have done it if the group was an extreme right wing group like the Heritage Front.

The best known example of Canada's domestic counter–terrorism has received a great deal of attention this past year. Canadians have had a rare glimpse inside a CSIS operation. However a glimpse is all that CSIS, SIRC and the Solicitor General seem prepared to give Canadians. The minister ad-

dressed the Heritage Front affair to some extent in his speech and unfortunately seems convinced that CSIS has acted in an exemplary manner. I will provide the House with a different interpretation.

• (1030)

I have no argument with CSIS monitoring the activities of the Heritage Front or similar groups. The manner in which CSIS used its human source, Grant Bristow, in relation to Heritage Front activities that targeted the Reform Party caused my colleagues and me a great deal of concern.

CSIS appears to have no problem with one of its sources playing an active role in the Heritage Front plan to discredit the Reform Party. SIRC appeared to have no problem with this. From what the minister has stated, he appears to have no problem with this either.

I wonder if the Solicitor General would be so understanding if the CSIS source had been operating within the Liberal Party instead.

As the Solicitor General is aware, the subcommittee has been meeting with SIRC over the past couple of months in camera reviewing its report on the Heritage Front affair. I am confident that when our committee goes public once again a very different picture of CSIS investigations will appear.

One thing the Solicitor General will have to address or perhaps readdress is the issue of CSIS sources involving themselves in legitimate political parties.

The ministerial directives issued in October 1989 by the then Solicitor General, the Hon. Pierre Blais, appeared to have been ignored. Then we have the issue of CSIS providing reports to the government of the day about rival political parties. Is it right that CSIS should be providing information to the party in power about another political party when it refuses to inform that second party? I do not think so.

We must not forget the alleged investigation or, as the government would prefer, the non–investigation of the leader of the Reform Party by CSIS. The SIRC report mentions that in late 1989 and early 1990, CSIS conducted an investigation into completely unsubstantiated accusations about campaign funding. The report says the subject of this investigation was Lnu Fnu, unknown contributors to the leader of the Reform Party's electoral campaign.

After a little prodding SIRC later reported that a mistake had been made, that during the three–month period the investigation actually was on the leader of the Reform Party, but that this was just a clerical error.

The Solicitor General has continued to try to portray this as a clerical error. The cold, hard reality is that on October 17, 1989 CSIS began a TARC level one investigation on the leader of the Reform Party and it ran for three months. Two months after the conclusion of this investigation which CSIS knew it could not possibly justify, it changed the name on the file to this mythical contributor and CSIS, SIRC and the Solicitor General want us to believe there is nothing wrong with this.

If a domestic security intelligence service is to exist in a democracy it must have the support of the people. The Solicitor General asks for the support of the opposition parties in acknowledging the need for a domestic security intelligence service. I ask the minister in return does he expect our party to give him any support when there are so many unanswered questions about the service's conduct in the Heritage Front affair?

The Reform Party is not prepared to give either the minister or CSIS a blank cheque. The Solicitor General will have to provide us with answers to a lot of questions. He should look carefully at the reports issued by the previous inspector general about the completeness of information that directors of CSIS have been providing to the minister.

While I can accept the notion that Canada's security intelligence apparatus must operate behind a veil of secrecy, this does not mean it can hide its mistakes behind this veil as well. All government agencies must be held accountable to the Canadian people. This is especially true for organizations like CSIS and CSE.

If the minister wants our support, it is available. Do not expect us to buy into something sight unseen.

* * *

• (1035)

PETITIONS

GUN CONTROL

Mr. Philip Mayfield (Cariboo—Chilcotin, Ref.): Mr. Speaker, I have two petitions. One petition is signed by people from Hagensborg, Bella Coola. The second is signed by constituents from Williams Lake and places like Alkali Lake, Soda Creek, 150–Mile House.

In each instance these petitioners are of the opinion that existing controls on law–abiding responsible firearms owners are more than enough to ensure public safety.

They therefore call upon Parliament to support laws that will severely punish all violent criminals who use weapons in the commission of a crime, to support new Criminal Code firearms control provisions that recognize and protect the right of law–abiding citizens to own and use recreational firearms, to support legislation that will repeal or modify existing gun control laws that have not improved public safety, have proven not to be cost effective or have proven to be overly complex so as to be ineffective or unenforceable.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I rise today according to Standing Order 36 to present a petition from 43 petitioners from the town of Hedley in my riding and also from my home town of Summerland, British Columbia.

The petitioners are opposed to further legislation for firearms acquisition and possession. They ask the government to provide strict guidelines and mandatory sentences for the use or possession of a firearm in the commission of a violent crime.

These 43 petitioners add to the some 3,010 petitioners who have also signed this petition in my riding.

JUSTICE

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, I am pleased this morning to present a petition in a course of action undertaken on behalf of citizens who wish to halt the early release from prison of Robert Paul Thompson.

The petitioners are concerned about making our streets safer for our citizens. They are opposed to the current practice of early release of violent offenders prior to serving the full extent of their sentences.

The petitioners pray that our streets will be made safer for law–abiding citizens and their families and the families of the victims of convicted murderers.

HUMAN RIGHTS

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, I am pleased to present the following three petitions from constituents in my riding of Comox—Alberni.

In the first, containing 477 signatures, the petitioners request that Parliament not amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the human rights code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation.

In the second petition, containing 37 signatures, the petitioners request that Parliament not pass Bill C–41 with section 718(2) as presently written and in any event not to include the undefined phrase sexual orientation in the bill.

LIGHT STATIONS

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, in the third petition, containing 380 signatures, the petitioners request that Parliament revoke the directive of the Minister of Transport to proceed with a program of unmanning all west coast light stations and that Parliament hold a complete and thorough public inquiry in British Columbia into the need for manned light stations on the west coast.

RAIL

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, it is my privilege to present a petition signed by 33 of my constituents.

They pray and request that Parliament be fully aware and that we strongly oppose any initiatives to sell or merge CN or CP Rail or dismantle CN Rail by way of disguise of the commercialization of CN Rail.

HUMAN RIGHTS

Mr. Lyle Vanclief (Prince Edward—Hastings, Lib.): Mr. Speaker, I have a petition to table from 73 people in the Cobourg, Port Hope area asking Parliament not to amend the human rights code, the Canadian Human Rights Act or the Charter of Rights and Freedoms in any way which would tend to indicate societal approval of same sex relations or homosexuality.

Mr. Jim Jordan (Leeds—Grenville, Lib.): Mr. Speaker, I have two petitions calling on the government not to amend the human rights code in any way which would tend to indicate societal approval of same sex relationships or homosexuality.

• (1040)

I am pleased to present these two petitions on behalf of my constituents.

[*Translation*]

RIGHTS OF THE UNBORN

Mr. Guy H. Arseneault (Restigouche—Chaleur, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present this petition signed by a number of my constituents.

[*English*]

The petitioners pray that Parliament act immediately to extend protection to the unborn child by amending the Criminal Code to extend the same protection enjoyed by born human beings to unborn human beings.

INCOME TAX ACT

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, I have two petitions to present this morning pursuant to Standing Order 36.

The first states that managing the family home and caring for pre–school children is an honourable profession which has not been recognized for its value in our society, that the Income Tax Act discriminates against families that make the choice to provide care in the home for pre–school children, and also discriminates against those who provide care in the home for the disabled, chronically ill and the aged.

The petitioners therefore pray that Parliament pursue initiatives to eliminate tax discrimination against families that decide to provide care for pre–school children, the disabled, the chronically ill or the aged.

RIGHTS OF THE UNBORN

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, the second petition is very complex, submitted to me by Mr. Cyril Fleming of my riding of Mississauga South. Because of the rules of the House I will not be able to read all of it. I will at least highlight the two most important points.

The petition has to do with the question of the rights of the unborn. The two relevant phrases in the petition are that Parliament recognize the unborn foetus from fertilization onwards as an entity separate from the mother, and that Parliament act to provide a wider interpretation of the Charter of Rights and Freedoms in the interest of obtaining and enhancing human dignity and to cause to cease by the most expedient means available the public funding for and the practice of abortion, thereby honouring Parliament and government's obligation under the Canadian Charter of Rights and Freedoms.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

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

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

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): I wish to inform the House that because of the ministerial statement Government Orders will be extended by 28 minutes pursuant to Standing Order 33.

GOVERNMENT ORDERS

[*English*]

FIREARMS ACT

The House resumed from March 27 consideration of the motion that Bill C–68, an act respecting firearms and other weapons, be read the second time and referred to a committee; and of the amendment.

Mr. Rex Crawford (Kent, Lib.): Mr. Speaker, I am pleased to take part in the debate on Bill C–68, a comprehensive package of legislative reforms respecting firearms. It amends the Criminal Code, the Customs Tariff Act, the Import Export Permits Act, the National Defence Act, the Young Offenders Act, related regulations and Lord only knows what else.

I also want to congratulate the whip and the Minister of Justice for enabling me to put my views on the record. It is a good sign that members of the government with a different view can join the debate.

I want to put my perspective, my point of view and my bias on the table. I am a gun owner and have been for over 50 years. I bought my first gun when I was between eight and nine. I am a gun collector and have been for over 30 years.

• (1045)

I have been a hunter most of my life, since the days when my father first taught me to shoot a gun on the farm. I am a past president of the Dover Rod and Gun Club. I have been involved with the local group in the Ontario Federation of Anglers and Hunters for over 35 years. I was raised in rural southwestern Ontario so guns are a part of my background and a part of life for my neighbours and I.

We are the many thousands of legitimate law–abiding safety conscience and honest citizens. I and other gun owners applaud two of the four principal aspects of Bill C–68. I totally support the first one on criminal sanctions. It is well known that Canada already has some of the toughest gun laws in the world. The justice system does not enforce the laws we already have on the books.

In the bill the criminal misuse of firearms will result in mandatory four–year minimum sentences for the following offences committed while in possession of a firearm. They are attempted murder, manslaughter, criminal negligence causing death, robbery, kidnapping, hostage taking, sexual assault with a weapon, aggravated sexual assault, extortion and discharge of a firearm with intent to cause harm. Upon conviction the offender will be prohibited for life from possessing a restricted or banned firearm. I feel this should go one step further and should include any firearm.

Stronger sentences are something that all Canadians favour. They are something gun groups have been pushing for years. In fact they asked for a minimum of five years. I am pleased the Minister of Justice is tackling that aspect of the issue.

The second principal section of the bill I fully support deals with smuggling and illegal importation. New Criminal Code offences will be added to deal with illegal trafficking in firearms. That could be the reason the government will be laying off 45,000 civil servants, so they will be able to work at the border between Canada and the United States.

Unfortunately I just heard this morning that another 15 per cent of customs officers will be laid off. I am well aware of the offices in Sarnia and in Sombra. They have been cut back. If they were to check every car for guns that came across the border from Michigan, they would have a lineup from Flint, Michigan, to London, Ontario, which is approximately 100 miles.

At the present time we do not have staff and we do not have the money. Yet somehow we will put more people to work. This is great, though, if it is at the border.

The third section of the bill deals with handguns and military assault weapons. Some of these weapons should be banned or restricted unless the collector can prove their merit. Originally in the November 30, 1994 statement in the House by the minister all handguns were to be prohibited. I am glad he has changed his tune on that one.

Bill C–68 now provides that individuals who possessed certain handguns on or before February 14, 1995 will be able to buy and sell among themselves. Owners of the handguns will be able to use them for the purpose for which they were originally obtained, whether for target shooting or collecting.

I was shocked to discover my handguns are registered for protection. There is no classification for protection. Do I now lose my collection of handguns?

Before I deal with the fourth section of the bill, that of national registration, I take the opportunity to outline to hon. members exactly what the process is to acquire a legal handgun for target shooting. I personally taught FAC safety courses so I know how demanding and rigorous they are. Over 16 steps have to be taken before people are able to obtain handguns and have them in their homes. I will not go into the steps as others have covered them.

• (1050)

Some members of the House sincerely believe that guns of any size, shape or form are evil objects that must be banned, thrown away or kept in a museum. Certain tragic incidents serve to remind us of the criminal misuse of guns. The people who commit such crimes should be punished to the full extent of the law; we should throw away the key.

With respect to registration some have made the statement in the House that cars are registered and have asked: Why not guns? We are comparing apples with oranges. It is the same as the lady in California who drove down a sidewalk killing 19 and maiming two dozen people. The car was registered. Should any further models of the car be removed from production?

There will be hundreds of registrations. From where will we get the money? We are over $550 billion in debt. Estimates have been given from a low of $80 million to a high of $350 million. I believe it will cost $350 million. Associates of mine, 10 of them, own over 1,000 guns. If we average them across Canada there must be at least 21 million handguns and long rifles. Registration will not stop anyone from using a gun to kill.

The minister stated that in rural areas there have been quite a few suicides committed with guns. Who is to blame? I blame the government. I know of several suicides which occurred when interest rates rose to over 24 per cent and young families could not compete. They were losing their farms. The government does not mention how many hanged themselves or how many gassed themselves, but we lost many young Canadians during those troubling times of the late seventies and early eighties. I cannot blame guns for that.

There were several polls taken in my riding by myself and others. Most of my constituents know where I stand on matters. When I was campaigning in 1988 I only made two promises: that I work hard for my constituents and that I would bring their views to Ottawa and support them. I am here to represent my riding. If the majority of my constituents were in favour of a national registration system I would act accordingly, but surveys show that they are not in favour. One survey was at 87 per cent, one at 96 per cent, and another at 91 per cent asking that I not support Bill C–68.

Along with my own personal sincerely held views, I will be voting against the piece of legislation. I should like to take a minute to quote a letter:

> I wish to take this opportunity to thank you for all your help in the past. Whenever I have come to you with a problem or concern you were always there to offer support and assistance. Although we believe that you have been, and continue to be, the best candidate to represent this area, I can not in all good conscience support your party in the next election.

I have received hundreds of letters.

• (1055)

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, Bill C–68 deals with firearms and certain other weapons. As we all have seen here in the House, support for this bill is not unanimous. And we all know that in our ridings, certain groups have voiced their support for or their dissatisfaction with the bill.

Please allow me to put this debate into the current context as I see it. Two groups are making representations. One of them is in favour of the bill, which aims, among other things, to control firearms; the other is opposed to the bill.

The group in favour of the bill says that it wants to reduce the number of deaths involving firearms. We know that some of these deaths are accidental, some are the result of family disputes, some are suicides or of, course, some occur during the perpetration of other criminal acts.

The supporters of firearm controls also support a public awareness campaign on the use of firearms and are looking to this legislation to provide stricter controls through licences to possess weapons, the registration of weapons, the prohibition of military and paramilitary weapons, the control of ammunition sales and strict restrictions on the use of handguns.

Those who oppose the bill believe that the legislation should above all target criminals. The group claims that the current legislation already sufficiently controls the possession and use of firearms for hunting, target practice and collection purposes and disputes the claim that the current legislation is not being applied. Lastly, this group opposes additional legislative mea-

sures because it claims that they would pointlessly tax honest citizens without actually reducing crime.

The bill before us intends to meet the following needs: clamp down on smuggling, prohibit the possession of certain firearms and restrict the possession of others, institute mandatory registration of all firearms and set a certain number of rules regarding the purchase, possession, storage, sale, exchange, loan, transfer and, naturally, the use of firearms.

Which criteria should we use to evaluate this bill? In my opinion, there are three. The bill's first aim is to reduce the number of lives lost and injuries inflicted because of the use of firearms. I presume that everyone would agree that legitimate, controlled and careful use of weapons would reduce the risk of death or injury. Lastly, I believe that no legislation will ever be able to prevent an act of insanity, but that legislation can and should increase the probability that the consequences of such an act would be less serious.

I am concerned about several aspects of the bill before us.

• (1100)

First of all, I think that the proposed measures against crime and smuggling could be made more effective. I also question the impact on collectors, competitors and hunters, as well as the usability of the registration system. I understand that it involves entering into a computer the specifics of all firearms owned across the country, but does this registry and the information it contains make the system easy to use? Will this registry really produce the promised results and, if so, at what cost and is there an easier way to achieve the same results?

I am not questioning the goals that have been set but the advisability of the means used to reach them. I, however, have serious reservations about the authority to search without a mandate, which is provided under this bill. Sections 98 through 101 create new powers to carry out inspections anywhere, even in residential premises provided that the inspector—not the police officer but the inspector—obtains either the occupant's consent or a warrant.

Under the regulations currently in effect, these powers only apply to businesses. The decision to extend their application to residential premises will arouse—and is already arousing—controversy and may, if this bill becomes law, be challenged under the Canadian Charter of Rights and Freedoms. Clause 101, among others, would require police officers to obtain either the occupant's consent or a mandate before entering a residential premises. As we know, a justice of the peace could sign a warrant for the same purposes and reasons as the cases covered under clause 99 regarding inspections, but only if entry has been refused or if there are reasonable grounds for believing that entry will be refused.

In general, although I agree with the bill's goal of reducing violence, I am not certain that the bill as it now reads adequately serves this goal while respecting the other rights and freedoms of citizens. That is why I encourage the various groups and individuals to make their views known to the Committee on Justice, which will soon hear evidence on this bill. I hope that this evidence will help all members of this House, especially government members, to improve this bill so that it achieves our goals and makes firearms handling safer for people in Quebec and Canada, as we all generally hope for.

[*English*]

Mr. Morris Bodnar (Saskatoon—Dundurn, Lib.): Mr. Speaker, it is difficult to speak on this matter when you come from Saskatchewan. In that province the provincial government is opposed to the proposed legislation. The opposition parties are opposed to it and there is a vocal element that does not seem to quit in opposition to the legislation. However, it is important to look at and dissect the legislation and examine the different aspects of what is being proposed.

• (1105)

Over the past year the Minister of Justice has travelled the country and talked to different groups and individuals. In effect he has been consulting with people as to the proposals individuals want or do not want in the legislation.

Whenever one comes down with such legislation, few are generally happy even though the legislation is generally good legislation. The problem which arises is that emotions take over. Then neither side wants in any way to give in on any of the aspects, to discuss the matter and to determine whether society as a whole would benefit from such legislation.

The problem the minister has had is to come up with a balanced approach. This approach would help to ensure the safety of Canadians and would crack down on the criminal misuse of firearms. At the same time it would respect the needs of hunters and farmers and would respect the rights of legitimate gun owners.

Quite often one has to be pigeon–holed as to whether one supports the legislation or one is against the legislation. There are good aspects of this legislation. The parts of the legislation calling for increased penalties for use of firearms in the commission of offences obviously is very good. It is long overdue and certainly will now be in effect. Hopefully the provinces will enforce these provisions and not treat them the way they have in the past by dealing these penalties away.

Those aspects are commendable. One then has to look at the other aspects. What about the initiative for controlling the

illegal importation or smuggling of guns into this country? There it appears everyone is in agreement. That aspect is good.

However, one has to look at that aspect practically. How do we control such a provision? Such a provision cannot be effectively dealt with without registration. Without registration such an aspect cannot be dealt with whatsoever. It appears a phobia has taken over with respect to registration, that this is a restriction on legitimate gun owners.

I own a gun. How the filling out of a page, signing it and sending it in to the appropriate authorities is going to restrict me in any way with that gun is a matter I do not understand to this day. There is absolutely no restriction on legitimate gun owners.

We have to deal with the question of registration and what its possible benefits are. Sure, we have many legitimate gun owners. There are people, the criminal element, who use guns and obviously do not register them after they have stolen them or come to have them in some other way.

We have to make sure the legitimate gun owners show some responsibility. Being a legitimate gun owner means storing guns properly, which matter has been often overlooked in this country. Storage is crucial in keeping guns out of the hands of the criminal element which has used this as a source of getting guns. There are break–ins to homes where guns are not properly stored. Guns are stolen from homes of legitimate gun owners who do not properly store them.

They have to pay a price for that. That price is an offence if they do not properly store their guns. If they do not properly store their guns, they will be charged. That matter has been in effect for many years, but has not been properly enforced or the mechanism has not been in place. With registration there will be more responsibility on the part of the gun owners.

• (1110)

As the Canadian Association of Chiefs of Police put it, the registration of firearms will help control smuggling, gun theft and the misuse of legal firearms. It continued to explain what is meant by this.

The association indicated that with respect to smuggling, guns do not have to be smuggled into this country; they can be brought in legitimately. Any member in this House who has a proper certificate can bring a dozen guns into the country.

Under the current system, the type of guns, the number of guns, and the serial numbers of the guns are not tracked when they come into Canada. A recent report indicated that customs officers are more focused on the value of the gun shipments than on any other aspect.

Once these guns are in the country, we do not know what happens to them. We lose complete track of them as to whether they get into the hands of illegitimate gun owners, et cetera. That matter will be taken care of if registration comes about.

Registration will leave a paper trail. The guns will be traced back to the source to determine how they got into illegitimate hands, if they have transferred to such hands, once they have come into the country.

Not always but generally, guns that are stolen have not been properly stored. Registration will promote safe storage which will reduce gun theft as well as reduce suicides and accidents.

One may say, how will it reduce suicides? Safe storage generally prevents the gun from getting into the hands of a person who is in a temporary state of depression. Again, as the chiefs of police so eloquently put it in their report on this matter, suicide is a permanent solution to a temporary problem.

A person with a problem becomes depressed and if there is easy access to a gun, deals with the problem on the spur of the moment. If access to the storage container is just a little more difficult, especially for young people, and if they do not have access to the ammunition, a temporary problem may pass and the permanent solution will not occur.

Certainly that is an important factor. If we can save some lives from suicides, that would be an important factor for us. That aspect and the suicides in this country are matters we have to look at very closely. It is important to prevent the senseless loss of young people's lives, those people who have been unable to deal with temporary situations and have immediately dealt with them by ending their own lives with a gun.

Of course, there is the question of collectors. No one believes that collectors should be disarmed of their gun collections. That matter can be dealt with in committee. No one indicates that firearms safety is not an important factor.

What we have to understand is that registration will in no way whatsoever cause any restrictions on legitimate gun owners. The filing of the certificate once in a lifetime for a gun is not a restriction but it is certainly a help to the authorities in enforcing the laws. It is not a restriction whatsoever on anyone in society. The question really is, what is the problem?

[*Translation*]

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, it is with pleasure that I rise today to address this House and the people of Canada in support of the motion put forth by my hon. colleague from Yorkton—Melville.

• (1115)

This motion suggests that firearms control and crime control be addressed separately by dividing Bill C–68 in two. By making the two issues of lawful possession of firearms and their use for criminal purposes separate, this amendment could help introduce nuance and sophistication in this debate on firearms

use. It seems to me that this would enable us to break the current stalemate over Bill C–68.

Our proposal is to address separately the administrative issues relating to the acquisition, storage and transportation of firearms and those legal issues relating to the Criminal Code and what to do when offences are committed with firearms. This way, the principles of the right to have free disposal of one's private property and the right to public security could be debated and legislated in a more consistent way. It appears that this approach would enable us to deal with the problem of firearms use for criminal purposes without criminalizing at the same time law–abiding owners who only use their firearms for recreational purposes.

As it stands, Bill C–68, if adopted, would be a failure in every regard. Many legal loopholes remaining unplugged, offenders would continue to avoid sentences commensurate with the seriousness of their crimes. The deterrent effect of the sentence must have an impact on individuals. It has no impact on an object such as a firearm.

Among the legal loopholes that remain in Bill C–68 is the provision for lesser charges than those for violent criminal offences. In addition, it would still be possible to plea bargain for lesser charges. Finally, this bill does not address the problem of minimum sentencing even in cases where it is recognized that a violent crime was committed with a firearm. Such inconsistencies in the Criminal Code and its enforcement by the judicial system are not dealt with in Bill C–68.

In other words, this bill would offer no guarantee against an eventual outbreak of sensational crimes such as those committed by Denis Lortie at the Quebec National Assembly in 1984, by Marc Lépine at l'École polytechnique in 1989 and by Valéry Fabrikant at Concordia University in 1992. Of course, you will argue that there really cannot be any guarantee and this is a realistic way of minimizing risks. However, when you consider the fact that this legal system allowed Lortie to serve a minimum sentence and Fabrikant to own handguns in spite of the warnings of Concordia lawyers, you quickly realize that there is something very wrong with the Criminal Code, both in terms of its concepts and its enforcement.

Making the necessary amendments to the Criminal Code, which would include decriminalizing the storage and carrying of firearms, as well as providing strong deterrents and stiff sentences when firearms are used for violent purposes, might help reconcile the various interests expressed by Canadians. The Liberal government could preserve its integrity by fulfilling its promise to improve safety at home and on the street, thus allowing Canadians to heave a sigh of relief. The opposition, at least the Reform Party, would be prepared to co–operate.

I want to correct some outrageous claims made on December 6, regarding the existence of a correlation between domestic violence and the availability of firearms.

• (1120)

I fully agree that violence against women and children has its roots in the existence of a sociological and historical power relationship. However, I totally disagree with claims to the effect that the availability of firearms is a direct and primary cause of that type of violence. Firearms are only used as the ultimate means of violence; in most cases, victims of violence suffer physical or emotional abuse long before their tormentor decides to use a firearm.

I share my party's position as regards extending the monitoring system to include compulsory registration for everyone as well as possible confiscation of firearms. It is obvious to me that the arguments of the Reform Party against such a system are more numerous and better documented than those submitted by the Minister of the Justice to support his proposal.

The minister cannot provide evidence confirming the existence of a link between firearms control and crime control. In fact, buying, carrying and storing firearms are already extensively regulated activities. In spite of the stringent existing legislation on the traffic of legal firearms, criminals manage to obtain such firearms by relying on other sources such as smuggling, the black market, etc.

In the absence of any study on the effectiveness of the present system, we think it appropriate to adopt the recommendation made by the auditor general in 1993 that such a study be carried out before consideration is given to extending the regulation of firearms at an exorbitant cost of several hundreds of millions of dollars. It would make no sense at all to implement other regulations, when we still do not know the merits and shortcomings of our present system.

There is no direct relationship between the control of firearms and the control of criminal activity. When we compare the situation in Washington, D.C. to that in Switzerland, it is difficult to argue otherwise. In Washington, where the possession and sale of firearms is prohibited, the homicide rate is 81.6 per 100,000 inhabitants. Conversely, in Switzerland, where the possession of firearms is almost universal, the homicide rate is 1.1 per 100,000 inhabitants.

An examination of these statistics leads to the inescapable conclusion that a complex assortment of factors—social, economic, cultural, political, psychological, symbolic and so on—is at work in how individuals and societies approach firearms on the one hand and crime on the other. Trying to establish a direct link between the control of firearms and the control of criminal activity is too simplistic.

In proposing that Bill C–68 be split into two separate parts, my colleague for Yorkton—Melville and the Reform Party are making a constructive suggestion that might satisfy all Canadians. Helpful criticism and practical solutions have been offered in the House by a number of Reformers. I hope that this Parliament will have the wisdom and good faith to give serious consideration to this motion and to make a commitment to act accordingly.

[*English*]

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I am very pleased to have the opportunity to speak on Bill C–68 which proposes to make changes to Canada's gun control system.

I support the efforts of the government in Bill C–68 to impose stricter border controls on smuggling, stiffer penalties for illegal importation and trafficking of firearms and tougher measures on criminals who use guns. I support raising of the age to buy ammunition. I fear, however, that the government is targeting law–abiding gun owners while trying to get at the criminal use of guns. That is why its approach is misguided and will not work.

• (1125)

Canada already has one of the toughest gun control laws in the world. It has barely begun to take effect and the government is imposing another layer of controls that will do absolutely nothing to cut down on crime or improve public safety. Under the existing gun law, applicants must obtain a firearms acquisition certificate, often referred to as an FAC for which they must take a gun course, undergo a police check and wait 28 days.

All handguns are considered restricted weapons. Owners must have an ownership permit and register them. Most handgun permits are issued to certified gun collectors, sports club members or those taking part in shooting competitions.

The private ownership of most military assault weapons is already banned or restricted.

If you want to hunt you must take a mandatory hunting course, which also covers firearm handling and safety. The current law also includes stringent storage and transportation regulations. It is an offence to breach the regulations.

This law, although it passed on December 5, 1991, came into force in stages. This means that some very major measures did not come into effect until very recently. One of those measures was the firearms safety education training course needed for an FAC.

Because many measures in Bill C–17 took effect just recently, it is too early to tell what impact they will have. Therefore, it follows that it is too early to add other controls such as a registration and licensing system which will demand even more resources and time to implement.

I fear that the government is moving too quickly and in the wrong direction with a national registration system. As a result, it is law–abiding Canadians who will end up paying from their pocketbooks and in their freedoms.

Criminals do not register guns. If you intend to commit a crime, you are not going to take your gun in and register it the day before you shoot someone. We cannot emphasize this point enough. They use stolen weapons or firearms which have not been properly registered. To assume that registration will somehow prevent or even reduce most forms of violent crimes is flawed. Creating a registration regime for firearms which are rarely used in crimes seems like a plan designed by bureaucrats for bureaucrats.

The onus is on the Minister of Justice to prove that a national registration system will be cost effective and increase public safety. He has not done that.

There is a disagreement at this time about the number of unregistered firearms in Canada as well as the ultimate cost of universal registration. Our understanding is that registration could cost hundreds of millions of dollars. Neither law–abiding firearm owners nor other taxpayers deserve to be burdened with an expensive system the minister cannot prove will cut down on crime or improve public safety.

Taxpayers could be paying for this boondoggle for decades to come. If there was any real prospect that the additional registration procedure would make a significant impact on violent crime, there would be reason to support such a plan. However, there is no convincing proof of that.

At a time when other levels of government are looking for ways to cut costs, it is absurd that the federal government is setting up a whole new bureaucracy on an expensive project whose value is highly questionable.

The government should not be punishing law–abiding gun owners when criminals with illegal guns are the real problem. I know about law–abiding gun owners because I have brothers who are hunters. My father was a hunter and I always wanted to be one, but they would not trust me with a gun so I could not go with them.

It is for these reasons that I back the notion that universal registration and licensing be considered separately from criminal sanctions and border control. I also believe the government should spend more of its energy educating Canadians about current gun laws instead of trying to impose more controls on law–abiding citizens.

• (1130)

There is evidence that despite some very good material on current gun laws most Canadians lack a basic understanding of the measures already in place. Before adding to the law it is essential to find out if education programs are working. If they are not, let us fix them. Because many people are not aware of the control and limits on private firearm ownership, many do not distinguish between the legal firearm owner and user and the criminal who uses guns.

It has been argued that the lack of public awareness about the existing law extends to gun owners and law enforcement officials. This prevents the law from being applied properly. It also may prevent those directly involved in or aware of dangerous situations from informing the police and preventing tragedies.

The federal and provincial governments need to sponsor an effective public education program to inform Canadians of all aspects of current gun control laws. They should at least wait to see if current laws are working before imposing what may be unnecessary limits on Canadians. Public safety balanced with the rights of legitimate law–abiding gun owners should be the guiding principle for any changes.

The minister should also remember that for many Canadians, especially aboriginal peoples and those living in the north, firearm use is a part of their tradition and culture and may be necessary for survival. For others such as farmers, hunters and sportsmen, firearm expertise is a part of the job or a legitimate hobby.

The new bill also prohibits gun collectors from leaving their guns to members of their families after death. A number of gun collectors have come to me very concerned about this. I cannot believe the minister understands any of this when he called—as he did at the Canadian Club—lawful, responsible gun owners who disagree with parts of his bill an American style gun lobby. Comments like this show he is not recognizing, let alone understanding, the reality of many Canadians.

I believe in public safety. I believe in the kind of public safety brought about by effective laws that protect the victims and punish the criminals. I am not convinced the measures in this bill will do that.

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I appreciate the opportunity to talk about Bill C–68, the firearms legislation.

As a representative from rural Ontario I have some concerns about the legislation which I intend to address in a minute. I want to express both my support and the support of my constituents for the minister's objective to curb violence in our society. That is the intent of the legislation and I fully share that. My constituents share that. It is a worthwhile objective. The debate on Bill C–68 is about the best method to curb violence in our society.

I support a number of the things the minister has proposed. I support increased criminal sanctions for the illegal use of a firearm. On average right now it is about 16 months for committing those 10 designated offences. Under this legislation it would be four years, an increase of 300 per cent in the sentence.

I agree with the sanctions individuals will have to absorb if they are caught smuggling firearms. I agree with his direction to provincial attorneys if they have evidence not to bargain away a firearms offence, go to court and find the individual guilty.

I agree with an enterprise crime for the smuggling of firearms. If someone is caught doing it, the assets they have gained can be seized by the crown and used for further criminal control. I agree with increased border controls, recognizing that we will not be able to stop every vehicle that crosses the border. If we are able to reduce it by 20 per cent or 30 per cent, it is better than not doing anything. I agree with his interdiction activities.

I was very pleased to hear that the minister agreed there are legitimate uses of firearms. He agreed that hunting is a valid pastime. He agreed that target shooting is a valid sport. He agreed that collectors have a right to collect.

• (1135)

He talked about the needs for pest control and the needs of trappers. I agree with that. I agree with his statement of the economic impact hunting has on areas like mine. Every fall thousands of people travel to Parry Sound—Muskoka to participate in hunting. They have a significant economic impact on my area.

I hope the committee studying the bill looks at ways of having that support better enshrined in the legislation because it is an important concept which should be in the legislation.

I do not agree with the comments by some of my colleagues opposite regarding self–defence. I agree fully with the minister that police officers and military officers should carry firearms for self–defence. I do not agree with arming civilians for the sole purpose of self–defence against criminals. We are not the United States. We do not settle our arguments at the end of a gun barrel. That does mean there are not legitimate uses like hunting, target shooting and gun collecting. We have to make the distinction between the two.

I have some concerns regarding some of the proposals, particularly related to registration. The minister has suggested we are going to spend $85 million to register firearms. I want to be clear that is the best way to control violence.

The minister said registration will not stop a criminal from using an illegal weapon. He indicated it will not stop somebody

intent on killing himself. It probably will not stop somebody intent on committing violence against somebody else.

I need the committee to demonstrate in its hearings exactly what the link is between universal registration and curbing violence. I want the committee to look at models from other countries to see how it has worked. I want it to come forward with statistical data showing that direct link between registration and the curbing of violence.

I want the committee to listen closely to witnesses, both pro and con, so we can understand how this works, registration and controlled violence. I want the committee to talk to the people who will have to enforce this legislation, the police officers on the street who will actually have to enforce this, handgun clubs which will be a big part of the enforcement, legal firearms owners about how this will work.

The committee has to compare the $85 million expenditure with some other options. Would $85 million spent on more policing be a better way of curbing violence? Would $85 million spent on breaking the cycle of poverty in our inner cities be a better way of curbing violence? Would $85 million spent on education for spousal abuse and protection of battered individuals be a better way?

In its report I want to hear that any system it eventually suggests will be effective. It must demonstrate that directly. It has to be efficient, not creating a large bureaucracy and not setting up ongoing and escalating costs. It has to be a secure system. I want it to tell me it will not be costly to individual firearms owners. Most important, I want it to demonstrate it is not the first step along the road toward prohibiting all firearms.

I support the minister in his objective of controlling violence. I support his sanctions against criminals. I support trying to stop smuggling. I want to see the benefits of registration clearly demonstrated by the committee.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, I welcome this opportunity to speak to Bill C–68, the gun control bill introduced by the Minister of Justice. The purpose of the bill is to tighten controls on firearms, which may be seen as a response to the unfortunate incident that took place at the Polytechnique more than five years ago. According to the polls, a majority of the public is in favour of tighter gun controls.

• (1140)

In fact, for many years nearly 80 per cent of Canadians and 91 per cent of Quebecers have been asking the government to take action in this respect. The public wants access to, and acquisition of, firearms to be made more difficult. It wants assault weapons to be strictly for military use, it wants handguns to be prohibited and it wants stricter controls on the sale of firearms.

The bill is a partial response to these concerns, and the minister will establish a national firearms registration system. According to the information we received from the minister, the new system is supposed to be the foundation of the gun control program. It will be administered by the RCMP, in co–operation with the provinces and territories. The system will be used to fight the criminal use of firearms by issuing prohibition orders, taking action against smuggling, monitoring compliance with safety regulations and helping the police to trace stolen weapons.

The minister tells us the system should pay for itself. It will cost an estimated $85 million to implement this measure. In December, the minister said that the cost would be amortized over five years. In February, he said seven, and that the system would generate revenue. I am sorry, but I doubt the system will pay for itself. We do not know how much it will cost the provinces to co–operate with the federal government, and what will be the cost to the general public, both nationally and provincially, of sharing the responsibility with the federal government, and how much taxpayers will have to contribute to make this system an effective one.

The minister also said that holders of firearms acquisition certificates will not have to spend a single penny to get their new licence to own a firearm, and I suppose they do not mind. Current firearms owners only have to pay a renewal fee of $60 five years from now. In some cases, I heard at my office that this might be a problem for people who practise target shooting. This area is not quite clear to me. Meanwhile, in accordance with the new federal creed, the provinces are being asked to help implement a system without knowing what the cost will be.

A memo from the office of the Minister of Justice, dated January 19, said that the government hoped, but could not confirm, that current owners of firearms would not be charged a fee for a licence to own a firearm. So it is not quite clear whether firearms owners who have already paid will have to pay again.

The same memo goes on to say that once again, the fee schedule will be progressive, in that fees will increase over time to encourage the public to register their firearms as soon as possible. This is all very praiseworthy, but when we see how taxes are going up, the public probably has every right to say: "First we will be able to register free of charge but pretty soon we will be paying enormous amounts to be able to own a firearm".

"Once again, we hope the cost will not be too high during the first year", said the minister. In short, the method for financing the system is somewhat obscure, there is some question as to the final outcome.

Another point to be made is that certain weapons will remain in circulation. Despite the bill, 13,000 military type automatic weapons, including over 4,000 AK–47s will remain in circulation due to the system of vested interests. I might be tempted to indulge in a little black humour here and say that it is really too bad that the unemployed do not own such weapons, then they could keep at least one vested interest.

Coroner Anne–Marie David held hearings in Montreal in November and made certain recommendations. She called for simpler and more consistent storage regulations, easier to understand.

• (1145)

She also wanted the regulations amended to force those selling weapons to keep them locked or inoperative. She called for a specific regulation governing shipments of weapons stored and transported by an importer. She asked that weapons be confiscated in the case of a second unsafe storage, display or transportation offence. She called for a vast information campaign to increase public awareness, a request echoed by a number of associations of firearms users.

None of these measures is contained in the current bill. Representatives of the Quebec police force and the Association of Police Chiefs told Dr. David that the existing regulations are so complex they require police experts to interpret them. How are ordinary citizens going to figure them out?

Between 1926 and 1992, 64 per cent of the homicides in Canada were committed with weapons other than firearms. Between 1988 and 1991, 95 per cent of violent crimes did not involve the use of firearms, but, rather, kitchen knives, force or dangerous instruments. In 1991, 0.3 per cent of violent crimes or murders were committed with firearms. For 1991, statistics indicate that 67 per cent of violent crimes were repeat offences.

Two rights oppose each other in this bill: the right to the enjoyment of safety in life and the right to privacy and to own a firearm.

Like many hon. members, I have received a lot of information. This information has come from the person responsible for this issue, but also from people keenly interested in the matter in my riding. From this information, I would like to share two interesting points with the hon. members, if I may.

The first is that criminal acts and domestic accidents do not involve weapons that are legally purchased and registered, but invariably weapons obtained illegally on the black market, no matter the calibre and barrel length. I note that the present bill contains no provision in this regard.

The second is that the minister would be well advised to prohibit certain weapons and accessories: certain pistols, for example, are no longer made of tempered steel but of a composite material combining plastic and carbon, and can pass almost undetected through metal detectors. Airports are beginning to give this serious thought. There are also laser sights and infrared telescopic sights of use only to hired killers. My information indicates further that these items are not used for legitimate target practice and are more dangerous than the old .25 and .32 calibre handguns and guns with a barrel length of less than 105 millimetres.

I therefore believe it is important to proceed with this bill. People want firearms controlled. But they have to be controlled in a way that users living peacefully in the country, for example, who want to take a walk on their property, regardless of the time of day, and perhaps take a shot at a partridge, are not harassed by a system that tries to control things but that fails to get to the heart of the problem.

I therefore invite everyone, whether they agree or disagree, to express their viewpoint to the committee to further enlighten those who will have to decide on this bill.

[*English*]

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, this morning I want to make a few remarks about Bill C–68. First I must comment on the fact that the whole debate has been derailed. Its basic values have been destroyed by much of the rhetoric that has been going on around it.

Across the province of Ontario there have been major gun rallies sponsored by the Reform Party of Canada. In some cases it has been more interested in selling memberships in that party than in improving constructively the laws of the nation. That is a fact of life.

• (1150)

Dr. Sobrian from the Omemee area near Peterborough visited my constituency a short time ago. It was at exactly the same time as we were having a church service and the laying of the colours for the airborne regiment. He appeared before a gun rally at a high school in Pembroke and was using my name all over the place.

I do not consider myself to be part of a gun lobby. I consider myself to be a parliamentarian who is trying to put something constructive into the legislation. Dr. Sobrian would be well advised by his cohorts to stay home in Omemee. He does more harm when he leaves Omemee and goes into the countryside than he would if he stayed at home. I have no hesitation in saying that to him because I do not get scared off by such people. We have to keep our feet on the ground around here.

My decision will be based on my own judgment, not on a lot of hype and cursing and swearing by people who would appear to be leaders when in fact they are feeding their egos and spreading misinformation with their rhetoric.

The impact of the legislation on the average Canadian has to be considered. One has to ask whether making some people pay for the justice system for all is fair and just. There are people paying for the education system who do not use it. They are paying for it the same as everyone else. Why should not Canadian people as a whole pay, if it is to serve the justice of the country and their safety? Instead we are targeting many people who are innocent and law–abiding Canadians. If the system is to benefit all, why should not all of us contribute? I have no problem in that regard, and I do not own a gun.

Training program costs have been mentioned as a great inhibitor. The costs for training courses are considerable. People are complaining to me about the red tape they have to go through. Many police officers whom I have been talking with have not taken the training, yet they will be faced with it. There are major problems in administration out there.

They talk about a coalition of forces. That is not the point. The point is providing good legislation with common sense logic, fairness and justice built into the system. Decisions based on emotions will not stand up over time, but decisions based on justice, fairness and common sense will stand the test of time.

A lot of the problems, the real hype and the gearing up of emotions started with incidents such as the murder at the Just Desserts restaurant in Toronto. In Montreal and in the Quebec legislature such incidents were quickly linked to all guns in general. That was wrong. It should be targeted to certain weapons and not to people who are capable of handling weapons safely.

It is unfair to attribute the problem we are facing today in part to everyday honest people. The ferociousness of the debate does not make for constructive solutions. I have heard some very outlandish speeches in the House and more outside it.

Guns increase violence is the saying, but what about countries where there are guns in nearly every home and there is no violence?

• (1155)

I quote from a very good speech delivered by the hon. member for Cochrane—Superior two weeks ago yesterday:

> A number of inquiries conducted in various countries have shown there is no connection between the percentage of crimes involving firearms and the degree of regulation of firearms in that country. In countries with a very low rate of violent crimes or homicide like Japan or Switzerland, the presence or absence of firearms is irrelevant. However making young people socially responsible, giving them a good education and warning them against criminal behaviour, is a major factor in producing low crime rates.

If we look at Switzerland, by its nature over many years it has been a fully armed nation as far as its citizenry is concerned yet has one of the lowest crime rates in the world.

It is a culture. It is the enforcement of law. It is the values we put into society. It is the way we train people generation after generation. That will improve the legal system and the courts by taking away plea bargaining in such cases.

The justice minister has made a good start in the legislation. Let us make the justice system work and not have people on the streets who should not be there, not have innocent people become victims of law and become criminals by virtue of it. Because of lack of information or indeed a lack of memory, if someone forgets to do something, according the act as it is written now he would be charged under the Criminal Code.

Nobody would argue about the need for anti–smuggling legislation. It is motherhood. It is necessity. Everyone in Canada, gun owners and non–gun owners alike, would support restrictions against smuggling. On the possession of stolen weapons outdoor sportsmen's clubs would support restrictions on that. They enforce laws within their own clubs, their own bylaws or their own regulations. They have very severe rules in that regard.

Export–import laws are great. They prevent the inflow or outflow of illegal arms. We have a 4,000–mile boundary to handle and it is very difficult to control border problems. With a 4,000–mile border we will have a challenge on our hands with the export–import laws. However it must be done and I give the minister credit for bringing forward that part.

No one should be in illegal possession of a firearm. There is a charge in that regard. We should get rid of plea bargaining and the minister has done part of it.

There is absolutely no sympathy out there for illegal trafficking of firearms, not by sportsmen or anyone else. They know if people with firearms get into trouble it will impact on them. The message is immediately spread on radio stations, TV stations and newspapers. It is very easy to start the hype that everything is wrong in society when certain things should be corrected.

The minimum sentence of four years for a list of 10 crimes is a good start. The court system, plea bargaining and the justice system must generally be upgraded and enforced. It is supported by the general public. There will be no pity on anyone who allows the system to deteriorate in any way. Canadians want the sentence to fit the crime.

This is my fourth time around on gun legislation. None of them has been easy. None of them has been very productive in the sense of the rhetoric used. We keep coming forward with legislation. As time goes on we must pass legislation to deal with the times. We are going through difficult times but let us

remember that the good things in this bill can be supported by almost every Canadian. However, there are matters in it that affect the average Canadian. These must be corrected. There are things in this bill that affect estates. I want to see some of those corrected in committee.

• (1200)

I have voted over 2,000 times in the House of Commons and on only one occasion have I voted against the government. If further changes are not made to this legislation, I am afraid I am going to have to see the second time that I will vote against my own government. That does not sit well with me personally because I am a loyalist and a constructive worker trying to get things done. I do not want to vote against this bill, but if I must, I will. My constituents are not part of the problem with their hunting and their sports clubs that operate throughout the area.

Mr. Jim Abbott (Kootenay East, Ref.): Mr. Speaker, I respect the comments of the preceding speaker. I suggest to him that he seriously consider what we are debating today, which is an amendment by the Reform Party to split the bill into the parts that he and I agree are workable and necessary.

I also refer to the comments of my Reform colleague from Nanaimo—Cowichan. He spoke about the amendment to split the bill as being a practical solution.

For the benefit of the justice minister and his staff, I would like to set my speech around some things that have been in the public domain that his staff should have brought to his attention. However, I assume they have not, otherwise he too would be inclined to split the bill.

I would like to identify the real problem. Referring to documents that are in the public domain, I would like to read briefly from one. It is an article referring to Project Gun Runner in the Kingston *Whig–Standard Companion* of April 9, 1994 and I read in part:

> A total of 86 charges were laid during Gun Runner, which ended last April. Of the 17 guns the team bought on the black market, one came from a break–in. The rest were smuggled into Canada.

That is one out of 17. It goes on:

> Of the 243 other firearms that participating police forces seized during the operation, the vast majority came into the country illegally from the United States.
>
> "The project certainly opened our eyes to the fact that stolen guns from B&Es aren't the problem. Smuggled guns are the area of concern," says Detective Sergeant Wayne Moore of the Hamilton–Wentworth police criminal intelligence unit.
>
> Gun Runner helped open a lot of people's eyes.

It is unfortunate that many of the eyes belonging to the backbenchers and the Liberals were not opened by this information. Perhaps they should review it.

Metro Toronto firearms expert, Detective Paul Mullin says:

> It's a lucrative business—On the streets of Hamilton and Toronto a handgun is going to sell for $300 to $500.
>
> And when it comes to smuggling, handguns are an easily concealed commodity.
>
> Let's face it, 10 handguns don't add up to a carton of cigarettes in size. And at $500 apiece, that is $5,000 to be made.

Further on in the same article it describes how they are getting into the country. You name it: trains, planes, boats, trucks and cars. Last year Canada Customs seized 1,681 guns at border crossings with the U.S., an increase of 124 over the previous year. But 98 per cent of those firearms were seized from American tourists who were simply not aware of Canadian gun laws.

There are a lot of areas and ways and means of getting into Canada without coming through customs. "There are lakes and backroads and rivers and unmanned locations," says a director of intelligence services with Revenue Canada and Customs.

> And when a smuggler comes across he is usually carrying more than one or two guns.
>
> He's going to be come back with a quantity—10, 15, 20 guns. He's going to make the run worth his while because he's going to get into as much trouble for one gun as he is for 20.
>
> A Davis .380–calibre sold to a licensee for $70 may be sold to a first–level street dealer for $90. The dealer then sells it to a Canadian importer for maybe $120 and then the importer or his mule will drive it across the border and sell it for $500.

• (1205)

This article clearly delineates the fantastic profits that can be made.

Again, for the benefit of the justice minister and his researchers, they might want to take a look at a January 7 article in the Montreal *Gazette*, headlined "Illegal guns pour in from U.S.", detailing a number of illegal importations. I will cite two here:

> Toronto, September 13, 1993. Three Armenian jewel thieves enter a downtown jewellery wholesaler, pistol–whip the owner with a 9–mm Sigarms and escape with $90,000 in merchandise. Where did the gun come from? From Vermonter Wayne D. Reed.
>
> Vancouver, October 15, 1993. Five men, three of whom are jailbreakers, steal $500,000 worth of jewellery from a Birks store. They are armed with a 9–mm Cobray Mach II with the serial numbers drilled out, a .25–calibre Sundance and a 9–mm Glock pistol. Where did the guns come from?—Wayne D. Reed.
>
> Wayne D. Reed, 49, lives with his wife and four children in a lower–middle–class housing development in north Burlington.

The article continues:

> From this modest home Reed has fed since 1991 an ever–expanding hunger for guns in Canada's criminal underworld. According to his own estimates given to *The Gazette*, he has sold about 900 firearms, mostly high–powered pistols, to Mohawk Indians who smuggled them over the border into Quebec and resold them to criminals across Canada.

> The same routes developed for cigarette and booze smuggling—river crossings at Akwesasne on the St. Lawrence River, and Walpole Island on the St. Claire River north of Detroit—are now being used for the more lethal commodity, firearms.

Further on in the article it states:

> With a U.S. federal dealer's licence, Reed can legally buy and sell any firearm except machine guns. He waits for the orders to pile up so he can get a cut rate from the wholesaler by buying in quantity.
>
> Criminals place their orders through various Mohawk gun dealers who in turn place the orders with Reed or dealers like him. The Mohawks fill out U.S. federal firearms transaction forms (referred to as "yellow sheets") with false names taken from the Vermont phone books.

We have seen from Project Gun Runner and other documentation that the problem is one of illegal importation or smuggling. The fundamental problem here, although it does occasionally relate to guns that are stolen from private owners, is illegal guns.

What is the response? As the revenue critic I was very interested to read the fact sheet put out by Revenue Canada on the government's firearms control initiative. It reads in part:

> New firearms control measures. November 30, 1994. An expanded commercial permit system. All commercial import, export and in–transit shipments of firearms will require a permit in advance issued by the Solicitor General, with the approval of Foreign Affairs;

I think that Mr. Reed will shake in his boots.

> Revenue Canada will verify that every firearms shipment, import and export, is accompanied by an approval permit.

I am sure that the criminals that are bringing them in illegally will be concerned about this.

> A National Firearms Registration System. Under this system, which will be implemented by January 1, 1998:
>
> all firearms entering, leaving and moving through Canada will have to be registered in the National Firearms Registry;

Again, I am sure that Mr. Reed will be complying with that, along with the rest of the people who are smuggling guns into Canada.

> Firearms Control Enhancements: Summer, 1994
>
> Enhanced verification of the accuracy and integrity of documentation accompanying shipment of firearms;
>
> Implementation of a more rigorous inspection program at all land border crossings—100 per cent of firearms shipments are now examined;

• (1210)

That certainly gives me a lot of confidence that all of Mr. Reed's firearms are now going to be examined. Perhaps he might not care. What does this have to do with the problem? Absolutely nothing.

The enforcement activities contained in the bill are bogus in light of the fact that the government is bringing down penalties in Bill C–68 while at the same time it is loosening restrictions in a bill that was just passed through the House, Bill C–42.

These restrictions are supposed to help when there is domestic violence and in the illegal use of weapons. I have in my hand a document from the provincial court judiciary, provincial court of British Columbia where it explains that the act that was just passed will be changing assault with a weapon or causing bodily harm from an indictable offence to one that could be treated in a summary fashion in court.

How serious is the government about gaining control? We know that the Saskatoon police officers are not in favour of this. We know that there is presently a meeting of the Canadian Police Association and its members may or may not be in favour of this. We know that Saskatchewan will not be enforcing this.

I conclude by drawing to the attention of the House something I raised with the justice minister last Tuesday with a question.

The environmental extremist, Paul Watson, who allegedly was attacked by concerned residents in the Magdalen Islands was widely reported as saying that he held off his alleged assailants by using a stun gun and his fists.

I asked the justice minister this. Stun guns are prohibited weapons under section 90(1) of the Criminal Code. Mr. Watson admits to having this prohibited weapon in his possession. Would the minister confirm if the gun was confiscated, if Mr. Watson was charged for having an illegal weapon in his possession. If he was not charged, why not?

In part, the justice minister answered: "I commend the member on his knowledge of the Criminal Code but I also remind him that enforcement of such provisions is entirely a matter for the provincial authorities to which I invite his attention".

I asked, if that is the case, are we going to have two sets of laws, one for people outside of Saskatchewan and one in or is this whole thing bogus?

Hon. Raymond Chan (Secretary of State (Asia–Pacific), Lib.): Mr. Speaker, I am very pleased today to have the opportunity to speak to Bill C–68, an act respecting firearms and other weapons.

The issue of gun control has generated a tremendous amount of controversy over the last year. I have heard from many of my constituents expressing concerns on both sides of the debate. I would like to commend the Minister of Justice for introducing a bill that took into consideration the concerns of gun owners while at the same time acting to improve public safety.

I believe there is broad public support for the bill. I know it has responded to the concerns of my constituents by delivering stiffer penalties for the criminal use and smuggling of firearms.

At the same time, the bill provides a context in which legal gun owners can pursue their interest in a manner that is consistent with public safety. The creation of a national registration system is an essential part of the legislation. Registration of all firearms will improve public safety and help police fight the criminal misuse of firearms.

I understand that the registration of firearms is one of the most controversial aspects of the bill.

• (1215)

Opponents of the bill have charged registration will cost the government in excess of $1 billion. This is not true. To set up this system will cost $85 million spread over seven years. This will be recovered over time from the fees charged to gun owners.

Opponents of the bill have charged registration will not reduce the criminal use of firearms because criminals do not register their guns. They charge registration will not improve public safety. The Canadian Association of Chiefs of Police agrees with the Minister of Justice that the registration of firearms will help control smuggling, gun theft and the misuse of legal firearms.

Registration will make it more difficult for criminals to acquire illegal firearms by helping police trace and eliminate sources of firearms entering the underground market. Registration will help ensure legal gun owners are held accountable for their firearms and do not sell them illegally or give them to individuals without appropriate authorization.

Registration will promote safe storage which will reduce gun theft as well as reducing suicides and accidents. Police and women's groups both support the bill because registration will assist the police in removing guns from volatile domestic situations. The bill will help the police in enforcing the estimated 13,000 prohibition orders issued every year, to remove guns from volatile domestic situations and from individuals considered to be a risk to society.

I will vote in favour of the bill because the registration of firearms will save lives. It is critical to controlling the illegal gun trade, to prosecuting offenders, to promoting safe storage and to removing guns from the hands of dangerous individuals.

Many opponents of the bill have told the government to deal with crime control, not gun control. The bill deals harshly with the criminal misuse of firearms. I am pleased to see the bill includes minimum sentences for violent offences using firearms, a lifetime ban on owning handguns and stiff penalties for illegally importing and trafficking firearms.

I have listened to the concerns of legal gun owners in my riding. I am pleased to see the bill has also taken their concerns into consideration. To avoid undue financial hardship on the owners whose guns will be prohibited, the new legislation allows them to buy and sell to individuals owning firearms in the same category. This measure addresses one of the very legitimate concerns of gun owners.

Our government is working on many fronts to reduce crime and improve public safety. Strengthening gun control is only one part of the government's strategy on crime prevention. We must also address the social roots of crime including poverty, illiteracy and family violence.

Gun ownership is not a right, it is a privilege. It is subject to regulation by government because firearms can be dangerous. It is in the best interest of society to have some degree of regulation.

[*Translation*]

Mr. Ghislain Lebel (Chambly, BQ): Thank you, Mr. Speaker, for recognizing me at this time. The firearms bill introduced by the Minister of Justice is motivated by the best of intentions. I am sure.

Who in this House is for violence? Who does not want control to be exercised over violence? I do not think anyone in this place or in the general public does. Polls show that 100 per cent of the population is against violence, and already 73 per cent of the population says it wants stricter firearms control.

• (1220)

In this regard, the views of my party are no different from those expressed by the public at large. It is just that, sometimes, debates such as this one lend themselves to extremes that need to be moderated. When I hear certain members opposite tell us that 73 per cent of the population is for the proposed firearms control measures, I cannot help but wonder if all these people who are for the control measures are aware of what implementing such a system entails and how much it will cost.

A study conducted by a British Columbia university professor indicates that there are between three and seven million firearms in circulation and, if all of these weapons now had to be registered, it would cost the Canadians taxpayers, the public purse, or the hunters at the very least $500 million. That is half a billion dollars.

Of course, these figures are just thrown at us. Can they be checked? It would be rather difficult. On the other hand, if we look up in the auditor general's 1993 report how much the present registration system or firearms acquisition certificate system has cost to operate—these figures are now available—we can see that an inefficient and counterproductive system costs at the very least $50 million.

I did not pressure in any way the Auditor General of Canada to say that the current system fell short of our requirements. There is therefore reason to believe that the proposed system may well

have a starting cost of $500 million. In the current economic context, I wonder if clear information regarding the costs involved would have made a difference in how the public answered the poll.

Needless to say, this kind of bill leaves the door wide open to sheer demagogy. It has been said that even if this bill saved only one life in Canada, it would deserve our support. I say this with all due respect for the opinion of my colleagues across the way who made that claim, including the hon. member for Ottawa West, who spoke to this bill yesterday, the hon. member for Lachine—Lac–Saint–Louis and the hon. member for Nickel Belt.

Of course, I would try to contribute to the $500 million needed to save a life. However, if we invested this amount in public awareness, in the fight against spousal abuse—if that is really the purpose of this bill—, I would not think it is too much. I am convinced that investing $500 in one of these areas could certainly save more than one life, at least two, as I am sure you will agree, Mr. Speaker. This bill would then be 100 per cent cost–effective in relation to the position of my friends across the way.

There is another aspect to this bill. In this regard, I tend to side with my friends here who say that this bill should be split in two. First of all, by giving the federal government the opportunity to create new crimes as it sees fit, this bill will—in Quebec and, I assume, in all Canadian provinces—encroach on areas of provincial jurisdiction, namely civil rights and freedoms as well as the sport of hunting.

In this regard, I am very reluctant to give my support, unless it is conclusively demonstrated that the bill cannot fail to achieve the goals established. As you know, hunting generates regional revenues of $300 million a year in Quebec at a specific time of year.

• (1225)

This is a windfall for most Quebec regions: the Eastern Townships, the Upper Laurentians, the Abitibi–Témiscamingue area, the Lac Saint–Jean region, the North Shore, the Gaspé Peninsula, you name it. In these regions, some small communities live off sport and recreational activities such as hunting in the fall and fishing in the spring and summer. They could lose all of that. I am not saying that I oppose this bill, but I wonder about its consequences, which may not be obvious at this stage.

However, I do think this is a prime example of federal interference in a field of provincial jurisdiction. The Quebec environment minister also had reservations about this legislation. Sure, the initial intent is laudable and everyone supports such a measure, the Bloc perhaps more than any other party. However, given the current economic context, we have to be careful before adding an extra $500 million to the deficit. Let us not forget that our deficit is the sum total of 20 years of good intentions in Quebec. It is thanks to all those who meant well and tabled various pieces of legislation if we are now struggling with this uncontrolled and uncontrollable deficit.

As regards this aspect, I hope that those who support this legislation, as well as those who oppose it, will come to present their respective views to a parliamentary committee. There is another aspect of this bill which concerns me. I said earlier that we should make sure that the goals sought are indeed reached. In addition to being able to afford all this, we should have some assurances that these objectives are reasonably attainable. When we consider the opportunities for smuggling, in his study Professor Mauser said he is not at all sure that smuggling will be stopped.

In fact, the Canadian Association of Chiefs of Police expressed some reservations in this respect. The Reform Party's brilliant representative said earlier that a single shipment of guns can generate incredible profits, as much as 400 or 500 per cent. That is quite a lot. We had a terrible time trying to stop cigarette smuggling last year. We never succeeded, so that the federal government finally abdicated its responsibility and reduced taxes, although it needed these to pay for its current operations. It is no secret that the government raises revenue through taxes. Since the government realized it could not stop cigarette smuggling otherwise, it preferred to forgo revenues that were legally acceptable and warranted.

So will it be the same in the case of firearms? Will the government abdicate its responsibility, will they still shoot at government helicopters about to land on a reserve straddling the border between Canada and the United States, the message being: "Get out of here, this is our business". At least, that is what happened with cigarettes. I would appreciate some certainty in this respect, some assurances that smuggling is a thing of the past.

You know, we have another problem with imports not necessarily connected with smuggling. Recently, I was working on the Customs Act and the notorious procedure I mentioned here in the House during Question Period, the so–called low value shipment, a term used in the customs sector. For instance, a truck comes in from the United States, a bonded carrier with a shipment of merchandise, and they do spot checks. They look at the manifest, they look at the list and they say: Okay, Mickey Mouse watches, straw hats, whatever. They do a spot check. They take items at random from the truck and check whether these items correspond with what is on the manifest.

• (1230)

Customs officers told me that in nine cases out of ten, if not ten out of ten, they might be carrying a handgun or a firearm that is not only restricted but prohibited in Canada. In nine cases out of ten this would go unnoticed.

So that is why I have a number of questions about this bill. I am not saying I am against the bill but I am not saying I support it either. I think we should all discuss this. That is why we are debating the bill here in the House, so that in the end, we can make an informed decision.

[*English*]

Mr. Derek Wells (South Shore, Lib.): Mr. Speaker, I am pleased to have the opportunity to speak on Bill C–68, an act respecting firearms and other weapons. I particularly wanted to speak on this legislation because of the great deal of concern it has caused both myself and my constituents.

This legislation is an important part of the Liberal government's broad strategy on crime prevention. It should work in concert with previously introduced pieces of legislation relating to sentencing reform, corrections and parole reform, the Young Offenders Act and the consultation document on the National Crime Prevention Council.

I agree with the overall intent of this legislation as well as the three principles that motivated this government to introduce Bill C–68. At the same time I believe it is incumbent upon all members of this House to recognize that there are two sides which must be heard. We must recognize the sincerity with which both sides bring their views to the table.

I have constituents in my South Shore riding who are in favour of the government measures and I certainly have constituents who are opposed. For this reason, I have formed a riding committee which will meet with me on a regular basis to review the legislation in detail. This committee will be reporting to the Minister of Justice and to the Standing Committee on Justice and Legal Affairs on areas of concern with a view to offering suggestions for improvements.

I expect that people on both sides of this issue would agree with the three principles as previously outlined by the Minister of Justice in this House. In essence these principles are: one, that Canadians do not want to live in a country where people feel they want or need to possess a firearm for their protection; two, that if we are to retain our safe and peaceful character as a country, those who use a firearm in the commission of a crime will be severely punished; and three, as a government and as a country, we must acknowledge and respect the legitimate use of firearms by law–abiding Canadian citizens.

The Minister of Justice and this government have acknowledged throughout this debate their respect and consideration for the traditions of hunting, both for sustenance and for sport, as well as the use of firearms for farming, ranching and other legitimate activities. It is not the intention of this government with this legislation to interfere with these rights. As well, we wish to go on record as acknowledging that these rights will continue to exist into the future.

I would like at this time to comment on the various components on the firearms control package as outlined in the legislation.

I believe that increased penalties will act as a deterrent to the criminal use of firearms. A mandatory four–year jail term for the use of a firearm in the commission of a serious crime, in addition to charges for the offence in which the gun was used, is deemed by those concerned with law and order to be much more acceptable than the status quo.

The present law is often criticized as being inadequately enforced with charges too often dropped as part of a plea bargain or otherwise not pursued. This problem is addressed by this legislation.

In relation to the aforementioned, I fully support any change that will see young offenders who commit firearms offences being treated in the same manner as adults. The criminal penalties as outlined in the legislation will also limit access to firearms for felons, including young offenders.

Prohibition orders on the possession of restricted and non–restricted firearms for those convicted of serious violent crimes will range from 10 years to life. People convicted of stalking or drug related charges will be subject to prohibition orders.

Not only does this make good common sense, but it is a crime prevention measure that will go a long way toward restoring public confidence in the justice system. It is clear that the intention of this legislation is to offer more protection to the law–abiding citizen.

Bill C–68 includes border control measures which are directed at curtailing smuggling activities and tightening up importation regulations. In addition, the bill adds a number of new offences arising from the trade in illegal firearms or other weapons. The overall penalty provisions will put these offences among the most serious class of crimes in the Criminal Code.

The most contentious part of this legislation is the registration provision which will apply to all guns, regular, restricted, and prohibited. Many of my constituents have raised concerns or worries about the registration requirement. They are concerned about the cost, both to themselves as individuals and to the country at large. They have concerns that the system will be cumbersome. They have concerns that registration will lead to the eventual confiscation of their firearms. They are concerned that the registration system will not be secure and that others, including criminals, could gain access to the information.

• (1235)

They have asked me how registration will address the issue of crime in our communities. They have asked if the $85 million or more would not be better spent on social programs, thereby attacking the causes of crime.

They are concerned that they will become criminals by not registering their guns. They are also concerned about and wish to have addressed further the question of compensation to the owners of handguns that are being banned.

These are legitimate concerns. We owe it to Canadians to address these concerns item by item. I do not believe we have really done this, but I hope in the weeks and months ahead we are able to ensure that our communities are better informed on these issues. I know I will be reviewing all of them with the committee in my riding and bringing them forward for consideration.

I would like to take a minute now to explain my understanding of some of these issues.

The first issue is on the matter of cost. The Minister of Justice has been quite clear and emphatic that the cost to gun owners in the first year is expected to be zero, or at the very most, a nominal amount in the range of $10. For this fee the gun owner can register up to 10 guns with no further registration being required during his lifetime. I am convinced that the government has no hidden agenda to eventually confiscate guns.

It is also important to explain that when formulating this legislation the government listened to the law enforcement community. The Canadian Association of Chiefs of Police has long requested and encouraged the adoption of universal registration. The chiefs of police cited a number of reasons for this and explained how it would help them in the fight against crime. The following are the reasons stated by the police association:

Tracking guns that are imported to Canada and then sold is critical to controlling abuse. It will be easier to prosecute individuals for possession of illegal and stolen weapons because the police will be able to distinguish between legal gun owners and illegal gun owners.

The police say that registration will assist in high risk situations. The police say that registration will assist in taking preventative action against domestic violence by allowing them to remove firearms from a volatile situation. They say registration is essential for the enforcement of the estimated 13,000 prohibition orders issued each year.

Members of the strategic weapons and tactical units of many forces feel that more information about the presence of firearms is critical. In most cases, guns which are stolen were improperly stored. The police say registration will promote safe storage which will in turn reduce gun theft as well as reduce suicides and accidents.

These reasons need to be explored in more detail.

One facet of this legislation I am particularly opposed to is the use of orders in council to add weapons to the existing prohibited weapons list. I support banning weapons that have no legitimate purpose. I see no reason for people to own assault weapons, handguns with no legitimate purpose, compact or single–hand crossbows, but I object to the process whereby this has been accomplished.

I was particularly pleased to see that the Minister of Justice has asked the standing committee to consider a number of issues that have been raised since the firearms control action plan was first introduced.

My office has received a number of representations from persons concerned with being able to leave their relics and heirlooms as part of their estate. I should also make it clear that there is nothing in the legislation that would prevent an individual from passing on their long arms upon death. I have also received a number of letters from constituents who feel their weapons have been wrongly prohibited. These concerns are ones the minister is going to have addressed by the standing committee and I appreciate that.

Upon reviewing the legislation, I am of the belief that its intent is to control crime and promote public safety while respecting the needs of legitimate gun owners. This legislation acknowledges that there are legitimate reasons for people to own firearms and that firearms are essential tools for many Canadians. This legislation does not set out to inconvenience these individuals.

In closing, I would like to reiterate that the Minister of Justice has stated that Canadians will have their opportunity to make their views known when the legislation is reviewed by the standing committee. I trust that the concerns of my constituents will be addressed and that answers to their legitimate concerns will be provided.

I also wish to state that I support the objective of the legislation. Its objective is to reduce violent crime in our country, an objective which I think all of my constituents would support.

• (1240)

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, I am pleased to rise and speak in support of the Reform Party's motion to split Bill C–68 into two bills.

The Minister of Justice said this bill is about the kind of Canada we want. I and the Reform Party can certainly agree with that statement. He also said that the overwhelming majority of Canadians support his position. I take exception with this statement.

Certainly if the question was asked whether they were in favour of gun control, any reasonable, fair–minded, clear thinking Canadian would say yes. The fraud being perpetrated on Canadians is that pollsters have been paid to ask the wrong question, and ask they have over and over again. The minister must not get away with this misconception, pushing his agenda and serving the interests of the minority and the elitists.

Though the answer from the majority regarding firearms control is yes, it is not yes to more firearms control, but rather a firearms control that respects without question the rights and freedoms of law–abiding citizens. I must repeat that statement: a firearms control that respects the right of life, liberty and security of person and that respects the inherent right of every citizen to own and enjoy property and that respects the rule of common law.

Canada's required firearms law must be in a form that is simple, economically attainable, and derived from common sense. Canada's required laws dealing with criminals must also be simple, economically attainable and derived from common sense. I mention both firearms laws and laws dealing with criminals separately, because that is exactly what they should be, separate.

An owner of any object, be it a knife, a rock, a club, a gun or even a pillow is not a criminal until he or she violates the rights and freedoms of another person with that object. The object now becomes a weapon which then is bound to the criminal act and dealt with by criminal law.

Now that we have separated firearms and criminals, it would be easy to ask Canadians a fair question. They would undoubtedly say no to more firearms control and yes to more criminal control.

As we can see, the single politically correct question that should be asked of all Canadians regarding the Criminal Code is if citizens had a choice in methods used to curtail crime, which would they favour: control of law–abiding citizens or control of the criminal? I am sure that 100 per cent of the citizens would vote for the second choice.

A democratic government would act upon the will of the people unless, of course, that government lacked the will or the ability to deal effectively with criminals and crime and tried to create a false impression of dealing with the problem by further regulating law–abiding citizens. That is exactly the fraud which is being perpetrated on Canadians by the Minister of Justice.

The minister says this bill is about the type of society that Liberals want in our country. He says that Liberals believe only police officers and armed forces should have the right to possess arms. He apparently means but does not include criminals in the category of those allowed to possess firearms or this government would be taking some very specific action, which I will come back to later on.

If this bill is leading us to the kind of society the minister wants, that society must be one in which governments fear law–abiding citizens. It is one where governments seize privately owned property without compensation. It is a country where instead of dealing swiftly and decisively with criminal activity, the government and law enforcement authorities turn their heads and pretend they do not know what is going on.

I fully agree that a kinder, gentler society is a highly desirable goal. However, I see no evidence of success on the part of those promoting that concept. Instead, I see a constantly rising confrontational crime rate, the result of a criminal justice system repeatedly basing action on theories that turn out to be wrong. As the risk factor rises, the public is moving toward self–protection, whether it is legal or not.

Prohibition is not a method of control; it is a method of losing any control over the situation. It is a lawyer's theory that just does not work. Most lawyers regard it as an axiom that reducing the number of weapons in society will reduce weapons crime. In all of our research we have found nothing whatsoever to support that idea. The evidence strongly indicates that the successful disarming of the community simply turns control of the neighbourhood over to the biggest, meanest thugs in the neighbourhood.

I will leave members with the conclusion of Chief Inspector Colin Greenwood of the West Yorkshire Constabulary in Britain, a country long known for strict gun control. He has done a comprehensive study on firearms control methods and their actual as opposed to theoretical effects in many countries. I quote his findings:

> At first glance, it may seem odd or even perverse to suggest that statutory control on private ownership of firearms is irrelevant to the problem of armed crime; yet that is precisely what the evidence shows. Armed crime and violent crime generally are products of ethnic and social factors unrelated to the availability of a type of weapon.
>
> The number of firearms required to satisfy the crime market is small, and these are supplied no matter what controls are instituted. Controls had serious effects on legitimate users of firearms, but there is no case, either in the history of this country or in the experience of other countries in which controls can be shown to have restricted the flow of weapons to criminals, or in any way reduce crime.

• (1245)

He was right. The latest British Home Office statistics for England and Wales show violent crime has doubled every 10 years since 1946. Britain's recreational firearms industry has been destroyed.

Many honest shooters now keep their firearms in Belgium to avoid the next wave of confiscation. Has gun control worked? No, it has not worked. British firearm crime rates are at an all time high and continue to rise. What else could one expect?

Firearms are easy to smuggle, police are easy to avoid while committing a violent crime and their government guarantees that the victim will have no effective way to protect himself or his family. Any criminal who has a firearm can totally dominate any victim situation.

Our Minister of Justice said on several occasions that no Canadian has any need of firearms for self–protection. If that is so, why does he and the Prime Minister regularly dip into the public purse to cover the expense of armed bodyguards to protect their own sacred skins? Are their skins any more sacred than those of other Canadians?

I must expose one other area of fraudulent injustice arising from this legislation, the whole matter of how this legislation will apply to Canada's aboriginal peoples.

When I raised this question in a departmental briefing I was chastized for suggesting there was perhaps racial inequity in the application of the legislation. My constituency has a large aboriginal population and both aboriginal people and non–aboriginal people have a right to know how this law will be applied.

The minister stated in the House this law must apply to all Canadians but will be enforced with cultural sensitivity on Indian lands. Indian chiefs and even aboriginal MLAs tell me this law will not apply to the Indian people and would be a violation of treaty rights or that it would not apply because Canadian law does not apply on sovereign Indian lands.

I hope this is not the view of the Minister of Justice because every Canadian must be equal under the law. To do otherwise would promote racism and non–compliance with the law.

The minister under section 110 of the Firearms Act has the authority to decide which persons do or do not need firearms. I am told the minister agreed under section 112(1) to exempt aboriginal people by order in council and that the issue need never come before Parliament.

I hope this is incorrect because it would be a recipe for disaster. If this is not true, when will the government do something about the illegally stored arms on the reserves along the U.S. border and do something to stop the illegal smuggling that everyone knows exists?

How will the minister apply the law in the self–governing Indian lands in Yukon where legislation passed in the House recently removes jurisdiction for firearms from the federal government?

There is no reasonable justification for treating aboriginal people any different under this legislation than anyone else. Firearms are no more a part of aboriginal culture than non–aboriginal culture. Firearms, after all, arrived in this country with the Europeans.

If this law is bad for aboriginal people, this law is bad for all people. We are convinced the major predictable effect of enacting this legislation, so poorly researched, so badly designed, so basically silly, is an increase in the number of Canadian voters killed, injured and robbed in the years to come. We reject this legislation.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I am the only veteran of Gettysburg to speak to this bill today in the House or at any time.

• (1250)

I fought on the fields of Gettysburg a few years ago. It was the 125th anniversary of that civil war battle. I am a civil war re–enactor, a black powder enthusiast. I go to these events dressed up. Members should see me in my butternut tunic with my haversack, my canteen and my 1863 Enfield musket as I march and counter march.

I was in a Hollywood movie, "Gettysburg". Members will notice that in Pickett's charge there are 6,000 Confederate soldiers coming toward the camera. If members examine these soldiers very carefully they will see in the first wave on the left flank, eight over from the standard bearer, they will recognize me.

I support the bill very much. Although my only association with firearms is a hobby that does not involve bullets, I do very strongly feel the legislation is warranted, not for many of the reasons that have been presented in the House, but primarily because it addresses the fundamental issue of keeping Canada the way it is and avoiding the type of gun related violence that exists in the United States.

I refer to the restrictions this law will put on the possession of handguns for personal protection. Current law provides that a Canadian is to have a handgun only for the purposes of collecting, sport or as a result of their employment. We in Canada have no provision for having handguns for personal protection. However, statistics have shown that a larger number of handguns have been acquired apparently to be kept at home in bureau drawers on the offhand chance of a break and enter when the person might be able to use this handgun.

This is what is wrong in the United States. It is because handguns are in many private homes that when criminals enter to commit what are essentially petty crimes they fear for their lives and consequently go in armed. This legislation will do a lot to get the guns out of the hands of irresponsible gun owners.

I can speak for many gun owners in my riding, legitimate sportsmen, collectors and hunters. These people are the first to say guns should not be kept with the idea of defending one's television set by shooting some kid entering a home.

All other things aside, the bill will not stop criminals from using firearms but it will get firearms out of circulation when they are acquired for purposes that are not considered responsible and legitimate.

It really is a pleasure to take part in the debate. I have listened very carefully to the members of the opposition and also to members of my own party who have felt very passionately that there are inadequacies in the legislation, that it penalizes responsible gun owners. There have been six or eight months of debate in the House, in caucus and out in the communities. I applaud the Minister of Justice, for he has consistently gone around the country and listened.

I invite my opposition colleagues to take satisfaction in knowing there have been improvements in the legislation since it came in the form of proposals. The bill now before us represents an enormous step in dialogue between a government initiating bills and individuals in the community through their MPs trying to make legislation that meets its target of restricting the spread of guns for illegitimate purposes and at the same time does not penalize those who wish to have firearms for legitimate reasons.

• (1255)

I thank the Minister of Justice because he has set an example. He has shown Parliament works. Legitimate gun owners who had genuine concerns, a lot of them based on misrepresentation, have been heard. The bill before us is not perfect. We have to polish it and perfect it. It is a product of genuine debate. We should all be proud of that.

I do not want to go over all the aspects of the bill already covered. I would like to react to three points that I am interested in specifically. Quite a few people on both sides of the House, my own colleagues included, have spoken against registration of long guns.

The Minister of Justice had consultation with the experts, the RCMP and the Canadian Association of Chiefs of Police. If they advised the minister that registration is worthwhile in order to control the illegitimate circulation of guns and the theft of guns, I have to accept the word of these experts.

Most Canadians would agree that we have the best police forces. The Royal Canadian Mounted Police is one of the best national police forces anywhere. If the Minister of Justice chooses to listen to those experts and chooses to spend the $80 million or so on registration, I have to accept that he is going on the best advice.

It is not a debate about registration, although I appreciate the passion with which it is debated in the House. I do not have the expertise to challenge the recommendation of the RCMP or the Canadian Association of Chiefs of Police.

There is another aspect of the bill that I am worried about. My colleague from Saskatoon—Dundurn raised the issue that the bill seems to give police rather sweeping powers of searching private premises, getting a warrant to search private premises for compliance or non–compliance with respect to the bill.

Any legislation before the House that would interfere with fundamental liberties I would oppose. I know the Minister of Justice is aware of this. It will be carefully examined. When the legislation goes to the parliamentary committee it will be determined whether this is a danger. I am sure that if this clause in the bill is a genuine problem it will be altered accordingly.

I would like to see something else changed in the bill. It would silence a lot of the legitimate concern among gun owners I have talked to. Many gun collectors are afraid the provisions for describing restricted handguns are too sweeping and might capture weapons that are genuinely antique.

One amendment in committee that would help the bill enormously is if we put a simple date and say for example that pre–1913 firearms can be considered antique. Then we allow certain guns to be regarded as intrinsically valuable and exempt as well so that we would not unnecessarily penalize those who have genuinely valuable collections and would like to pass them on to their heirs.

With a few relatively easy adjustments after the parliamentary committee the legislation can come back to the House and be a law capable of satisfying 95 per cent of Canadians, gun owners or not.

• (1300)

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I rise today on behalf of the constituents of Okanagan—Similkameen—Merritt to speak to the justice minister's gun registry bill.

I cannot call the bill firearms control legislation because the crime control aspects of the bill are hidden behind legislative measures which the Liberal government promised to anti–gun groups in its pre–election platform. This is unfortunate.

Notwithstanding the political shenanigans the justice minister and his party have chosen to pin on the bill, I think all Canadians including everyone on this side of the House and anti–gun groups would like to have the opportunity to discuss real crime control measures. As a result of the Reform motion to split the bill we may have the opportunity.

I make no mistake in describing the Liberal government's firearms legislation as simply amounting to a gun registry. I reinforce the term gun registry. The crime control aspects of the bill are hidden behind the gun registry being created by the minister.

Canadians including anti–gun groups, Liberal party supporters and others will be sorrily disappointed if the minister's legislative proposals are enacted. My constituents have not been fooled for one minute with respect to the matter. It is obvious to everyone that some special interest groups are emotionally out of control with regard to the issue of gun control. Because of that

an all–out debate on the subject of crime control in the House is being prevented by the government.

The bill is solely aimed at punishing law–abiding legitimate owners of firearms in Canada. These law–abiding citizens are more concerned than anyone with the safe usage and storage of firearms. Of all people they should not be the target of the legislation.

All Canadians want crime to be reduced on the streets, in our cities and in our towns. Canadians want to be able to feel that the authorities are able to control crime.

The Minister of Justice stated in the House that it was estimated some 375,000 guns were smuggled into the country and about 3,800 weapons were lost or stolen within our borders. The justice minister introduced legislation which concentrated on the 3,800 weapons loose in society.

What about the 375,000 smuggled weapons? As far as I can see the minister's actions are twofold. First, his actions are directed at punishing legitimate owners of firearms, appeasing a special interest group. Second, as some kind of afterthought his actions may do something about the real problem, the 375,000 weapons smuggled into the country. This is preposterous. Anti–gun groups are not amused. Neither are sporting groups, hunting clubs, target shooters or Olympic sports spectators. The grass-roots of Canada is not amused.

There is no reason the government cannot attempt to control smuggled weapons without slapping the faces of law–abiding citizens. My constituents therefore stand in favour of splitting the bill.

Recently I conducted a household survey in my riding and 78 per cent of my constituents said that they did not want all guns including shotguns and rifles registered. Seventy–eight per cent of my constituents said that they did not want short barrelled pistols banned. Most important, 92 per cent of my constituents want tougher mandatory sentences for criminals who use guns.

• (1305)

To date I have presented 43 petitions in the House containing over 3,000 signatures of constituents who oppose further legislation for firearms acquisition and possession. They call on Parliament to provide strict guidelines and mandatory sentences for the use or the possession of a firearm in the commission of a violent crime.

People do not have to look far for an example. They can turn to their local newspapers for examples of how the criminal justice system is letting the public down. For instance, I turn to the Penticton Herald that had an article entitled "Slap on the wrists no deterrent".

The article was about a man convicted of a weapons offence involving a restricted weapon. He was convicted, given a slap on the wrist, a $440 fine and a year's probation. Canadians must be asking themselves, if the courts do not do their part in placing a deterrent on this kind of offence, what good is it to demand that hunters and sportsmen register their shotguns and long arms.

As members of the House we ought to be doing all we can to protect our borders from those who seek to bring crime to our otherwise free and peaceful nation. We ought to make it very clear to the international criminal community, as well as our own criminal community, that Canada will put behind bars anyone who attempts to bring weapons into the country. We must ensure that is well known beyond our borders and that the maximum punishment for those bringing weapons into the country will be applied.

Not only anti–gun groups but all Canadians want smuggling stopped. I might add that all Canadians want the full force of our laws and maximum punishment delivered to persons using firearms in the commission of an offence.

While the citizens of the nation have the privilege of owning firearms, we must make it perfectly clear that we do not and will not tolerate abuse of the privilege. We must adopt a zero tolerance policy on criminals in the country.

Society has been living with handgun registration for over 60 years. Because of the difficulty our citizens face in terms of obtaining an FAC, we do not take lightly abuse of firearms laws. Virtually every constituent, firearm owner or member of an anti–gun group that contacted me during the debate of this issue has left me with one thought above all: punish the criminals who use firearms. Firearm owners, law–abiding citizens and anti–gun groups are sick and tired of legislators going after the wrong guy when dealing with the problems associated with firearms in society.

Together all groups and all Canadians ask the minister not to follow the precedent set by former ministers of justice. He should do us all a favour and split the bill. Let us do some work in the House on crime control. Canadians will continue to read in the newspaper and see on television the mayhem, the bloodshed, the heartache and the horrors lethal weapons in the hands of criminals are causing on our streets. We will continue to see and hear of such criminals walking away from their deeds in that our courts refuse to deal out maximum penalties for crimes committed with a firearm because of plea bargaining and other reasons.

In other words, by splitting the bill in half we would be allowed to deal with the two issues: first, crime control and, second, a gun registry. All sides of the House would be able to work on crime control first and most importantly. Surely the Minister of Justice would have us believe that he is so well

intended he can accommodate the desire of this side of the House and Canadians who recognize that crime control is the most important issue.

Any right thinking Canadian knows that with some 375,000 weapons being smuggled into the nation, the criminal use of firearms will continue. The criminal use of firearms does not exist because of hunters, sportsmen, gun collectors and law-abiding citizens. The criminal use is by criminals.

• (1310)

In closing, the constituents of Okanagan—Similkameen—Merritt would support the bill being split in two. By doing so we could deal with crime control and then the gun registry. We could salvage some good sections in terms of protecting our borders from international criminals. We could try to protect law-abiding Canadians at the same time.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, let us start by calling what we have before us today what it really is. We have before us a motion. It is not to split the bill. That is utter and sheer nonsense. The motion asks that the House decline to give second reading to Bill C-68.

The effect of adopting such a motion is not to split the bill, no matter what words are in the motion. Any member who says that the effect of adopting such a motion is to split the bill either does not know the rules of the House at all or knows better and refuses to say so, not to put it too unkindly.

Citation 559 of Beauchesne, just in case the member across does not know how it works, is entitled: "Types of Motions". It refers to different types of motions. The motion introduced by the member is known as a dilatory motion. In that motion is a reasoned amendment. We decline to give second reading to a bill. Perhaps the reason he wants to decline giving second reading is that he would prefer to have the bill split two ways, three ways or ten ways. It does not matter, because any member voting in favour of the motion would be voting to kill the bill.

The hon. member and other hon. members have sent letters to my constituents and other constituents across Canada asking them to tell us to support the motion, the effect of which would be to split the bill. Let me say kindly that it is not true. There is no such effect. It would kill the bill.

I am a rural Canadian. I live in the riding of Glengarry—Prescott—Russell. I was born on a farm. Yes, guns were around my home. That does not mean, as some members are trying to portray, that rural Canadians want to have guns that are not registered and that they have a right to do so, or that urban Canadians want rural Canadians to be deprived of all firearms. Both concepts are wrong.

Mr. Penson: Should your father have registered his gun?

Mr. Boudria: My father died when I was four years old, in answer to the question being asked about my father.

Perhaps I could get back to the topic at hand; it would be more appropriate. There were guns in my home. Guns were not registered 40 years ago. Motorcycle drivers did not wear helmets 40 years ago. Cars did not have seatbelts and there was no such thing as a freeway in Ottawa. The concept that may escape some members across the way is that we have evolved. Things have changed. Hopefully we are here to make life better for all our constituents. That is what the Minister of Justice is trying to do.

Perhaps not all initiatives proposed by everyone with regard to gun control have been perfect. Perfection is not here, but we have a good bill before us that will go to committee. It will be a better bill when it comes out of committee because there are members of the House who will do a job for Canadians by trying to make the bill better.

[*Translation*]

And what do we want? First, we want legislation that provides stricter punitive measures for those who use weapons illegally. Second, we want to put a stop to arms smuggling or limit it as much as possible.

• (1315)

Third, and there are perhaps other elements I could enumerate, we also want to register firearms so we know who has them and how many they have. Is this such a strange concept in civilized society? After all, I register my car.

[*English*]

I do not have a dog now but when I did I had to register it. Some people are telling me if we register our firearms that automatically means it is the first step toward confiscation. No one ever attempted to confiscate my dog. It was registered. To pretend, as some hon. members have, that this is the first step toward confiscation is not right.

Some of those people saying that will someday have to justify what they are doing before their constituents. An hon. member sent me what he called his test as to whether we should support gun control. In the hon. member's test was a questionnaire. In the questionnaire of the member from the Reform Party it said: "Do you think members should vote according to the majority of their constituents?"

If that were the only test applied to the bill—not that it should always be the strict and only test any member should be governed by—to the hon. members across, this debate would have been long over. That is not the only test. The members across should not pretend it is either, because they are wrong.

[*Translation*]

A few days ago, there was an attempt at a sort of ambush in Glengarry—Prescott—Russell.

[*English*]

A group calling itself—I use the term loosely—the responsible firearms owners of Stormont—Dundas and Glengarry sent a poster inviting people to a meeting. Do you know what the poster said, Mr. Speaker? I think you do for obvious reasons. The poster said: "Attention all firearms owners. This is the last chance to save your firearm", in reference to a meeting at which they asked me to be present along with an hon. member from the Reform Party.

They sent that kind of information out trying to excite people to make them as angry as possible so they would show up with anger in mind, not justice. People would go to that meeting thinking it was the last chance to save their firearms. Then they organized this debate with a neutral chairman who just happened to own the local gun shop. When I discovered the local gun shop owner was the chairman of the meeting I objected. I said it was wrong. They said they would change the chairman for a better one.

They changed the chairman for a local optometrist. When the name became familiar, my staff discovered in our file that he had sent me one of those little cards in which he bragged he owned 20 guns and if I or my party dared to propose any stricter gun control he would work to defeat me, work to defeat my party and that those who supported further gun control would never remember and that he would never forget. That was the neutral chairman they had appointed for the meeting. He was the second neutral chairman because the first was not neutral enough.

Having done that they decided on the format of the debate in which they had an educational presentation by the gun group which lasted 20 minutes. It was followed by a presentation by the provincial member for the riding who said he did not like the bill. That was followed by a member of the Reform Party who spoke 15 minutes against the bill. To even it up, on the other side they had me speaking for the bill for 15 minutes. That was a fair debate? It was an ambush. Mr. Speaker, you know what I am talking about.

Then they tried to get coverage for this event and those people would claim they represented the majority of my constituents.

• (1320)

[*Translation*]

No, Mr. Speaker. And I am ready to debate with anyone in my riding, with equal time for both sides. I am ready to do so. I am ready to prove that the hon. Minister of Justice has put a good bill before us, and that this bill will be improved by a parliamentary committee made up of members from both sides of the House, people who know what they are doing.

Whether they come from the Reform Party, the Bloc Quebecois or even from here in the minister's party, people will work and will work well on this committee, and we will have a better bill as the result. But we are not going to make any progress so long as people continue to try to dupe others in the way I have described. There is nothing to be gained by listening to those who claim that voting for the motion tabled in the House today by the hon. member for Yorkton—Melville means voting to split the bill into two distinct parts.

[*English*]

Nothing is further from the truth. A vote for the motion today is not a vote to split the bill. It is a vote to decline second reading to the bill. It is a vote to kill the bill. I will not vote to kill the bill. It is a good bill. I will work to improve it. We have a good piece of legislation and we will make better laws for the citizens of Canada.

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, it seems they are starting to feel a little heat on the other side from some of their constituents.

I would like to add my voice to the chorus we are hearing from this side of the House. The Reform Party is opposed to Bill C–68 because it makes criminals out of ordinary citizens who are responsible gun owners. We would like to separate the criminal use of firearms from the ownership, transportation and storage of firearms in the bill.

We heard the chief government whip give us all of the legal procedural reasons why this cannot be done. People in Canada are sick and tired of the Toronto big city lawyers trying to define what can be done. The minister knows we can separate the bill if he has the will to do it. He is not willing to do it. He is trying to give us an omnibus bill incorporating two things, the protection of Canadian citizens and registration. They are not linked.

We say strengthen and enforce the law dealing with criminals who use guns to commit crimes. That is a reasonable alternative, but leave responsible gun owners alone.

This bill will place unnecessary restrictions on us. It will limit our freedom. It will waste our time and it will put a dent in our pocket books. I do not care what the minister says. It will be significantly higher than what he estimates.

In my riding of Peace River the lawyers who write the laws concerning firearms are known as those out of touch eggheads from Toronto. I live in a northern riding. These are fancy lawmakers who have no idea what it is like to live and work in the north. These are lawyers who have never had to worry about bears or wolves killing their livestock. Come up north with me

and maybe I can paint a picture of what it is like. I encourage the minister to do that.

Several years ago a rancher in my riding saw a black bear approaching his young child playing outside. Being a crack shot, he grabbed his rifle and pumped two shells into the animal. He assumed the bear was not coming over to make a polite introduction. Had this incident occurred today the child probably would be dead.

Talk about saving one life, is it worth it?

With the law as written today the rancher first would have to go from one room to get the gun and into another room to get the ammunition. He would not have had time to get that bear before it got his child.

Many people in my riding voted against the Conservatives because they hated Kim Campbell's Bill C–17. Now they are finding out this government is even worse. Maybe there is a lesson there to be learned.

How will one store ammunition in another room if one lives in a one room cabin? Who lives in a one room cabin? Trappers and outfitters do. They have lots of them on their trap lines. That is what Kim Campbell's law demanded. Hunters and trapping guides who depend on their guns for a living do not have fancy multiroom houses. They have one room cabins. They would have to store their ammunition in one room and their guns in a separate one. They would have to build a separate cabin to store their ammunition. How ludicrous this gets.

• (1325)

If a person is moving around their property to fix fences, as ranchers do in some parts of northern and western Canada, does it make any sense to unload the firearm, put the ammunition under the seat and get back into the truck? It does not. Bear stories are not as frequent as they used to be but there are still parts of the country where bears are a menace to livestock. We still have the occasional tragic incident. I encourage the minister to listen.

Six years ago two tree planters were replanting some cut blocks in a reforestation project in my riding. They were unarmed and they were charged by a large black bear. One managed to climb a tree high enough to get out of trouble. The other tree planter was not as lucky. He was killed. Five years ago an unarmed timber cruiser had the misfortune of running into a grizzly. He did not live to tell his story. If we talk about one life being saved, those are a couple of examples.

Let us talk about a different kind of hardship, money. In most rural areas people cannot afford to register their firearms even if it did make any sense. When we start telling a young couple with little children struggling to make ends meet who have already lost a cow to a wolf or a bear and some calves to other misfortunes that they must shell out $300 to $400 to register their firearms, we have to wonder from where that money is going to come. It will come straight from the mouths of their children.

Please do not tell me that it is only going to cost $10 or so to register a firearm. To properly register anything we need an inspection. I believe the minister knows this. When we are talking about inspecting distinguishing features such as serial numbers and calibre we are going to run into costs.

The minister knows that up to 20 per cent of long guns do not have proper identification at the moment. Is the government planning to run a deficit in this area as well? The cost of registering handguns is approximately $75. It is difficult to understand how the registration of rifles and shotguns is going to be any cheaper. The government estimates the total cost of registration at around $85 million. It will probably be a lot closer to $500 million, almost six times as much; seven million long guns multiplied by $75. Members can work out the math.

We have had a handgun registry for some 60 years. Has it reduced the incidence of store robbery or domestic violence? No, it has not. It has probably increased. How will long gun registration improve that balance? If there were any solid proof that domestic violence would be reduced as a result of more gun control, in rural areas this law would be easier to swallow. There is no such proof.

The real red herring here, the one I resent the most, is when the minister talks about how it will reduce suicides. This is the worst case scenario I have ever heard of. My nephew committed suicide. It was the most tragic thing that ever happened in our family. Did he use a gun to do it? No, he did not. When people are in that state of mind they will use whatever they find necessary to get the job done. Whether a gun was there, whatever was there to get the job done, that is what he used. That is the worst possible case the minister put forward.

In situations of domestic violence it is much the same. A distressed person will use whatever is handy. They will use their fists, they will use knives, they will use egg beaters or any item they happen to find. Suggesting these items should be registered is as ludicrous as registering rifles and shotguns.

If there were any solid proof that murders would be reduced by requiring registration, tougher gun laws would be more palatable. Again, there is no such proof. A retired RCMP sergeant wrote recently that in his 27 years with the RCMP he was directly involved in investigating 14 murders and attempted murders. In only three of those were firearms used. The murders involved fire, axes, fists, two–by–fours, strangulation and kitchen knives. Registering the few firearms used would not have prevented most of those crimes from occurring.

Our fancy lawmakers say that cars are registered, so why not rifles and shotguns. Has car registration reduced the carnage on

our highways, prevented cars from being stolen or used in the commission of crimes? Obviously not.

Most of the people in my riding use their guns only occasionally. This is very important. These guns have been handed down from grandfather to father to son. Most people, including myself, use their guns very infrequently. It really bothers people that they will have to go through this whole process when it is not going to be effective.

Mark my words, it is not going to be effective in reducing crime. There will be a big cost involved and it will be a big inconvenience. These are peaceful, law–abiding citizens who do not like to have their freedom limited without a good reason. If it could be demonstrated that there is going to be a reduction in the criminal use of firearms, that would be a different matter.

• (1330)

Many have guns which are heirlooms having been passed from father to son and so on. Putting all the rules and regulations in place to limit the use of these through registration does not make any sense. The government will be forcing people to break the law in many cases. Many people in my riding have said they are not going to register their guns.

I urge the government to reconsider this ill–conceived bill. Punish the criminal use of guns and do not make criminals out of peaceful, law–abiding citizens.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): Mr. Speaker, I am pleased to speak today in support of the justice minister's bill on gun control.

I speak as a member who was in the last Parliament which on two occasions dealt with firearms legislation. At that time there was a large body of support for the initiative in principle. The process of finally adopting it did bring about some minor modifications which most people in Parliament believed improved the bill.

In any event, I want to be clearly on record as supporting the justice minister's initiative in principle. I am committed to working with other colleagues in the House to improve the bill where possible and to reframe it so that at the end of the day we have the best possible mix of statute, regulation and administration for the benefit of the public as a whole and gun owners as a group.

Before I go further into my remarks, I want to make two quick points.

The government and I hope, the House have reached a point where we are prepared to say that in relation to firearms, everything is in. We are not going to have a statute that covers just some firearms and not others. Everything is going to be recognized as being part of the system or however we choose to deal with this. All firearms are seen to be part of the system.

Some members opposite and I believe some members on the government benches are very sensitive to the issue of this statute criminalizing individuals who but for this statute would not be criminals. In saying that, we are referring to people who own firearms now who might fail, either advertently or inadvertently, to fulfil a provision in the new act and thereby would be subject to criminal sanction.

At first blush, I am sympathetic to that position. Thousands of Canadians do not spend very much time worrying about criminal law because they are law–abiding citizens. By passing this statute we will impose upon them a standard where for a certain period of time they are going to have to think about it. They are going to have to do something or not do something, comply or not comply. It is going to bring them belly up to provisions in this statute which create criminal sanction.

I am sensitive to that but I want to point out there are already provisions in the Criminal Code where otherwise law–abiding citizens who own firearms are subject to criminal sanction. In existing law, if an otherwise legal owner of a firearm breaks a provision of the code dealing with regulation of restricted or prohibited firearms, or improper use of other non–prohibited, non–restricted firearms, they are subject to criminal sanction.

I make those two points. Everything is in. I am sensitive to the issue of criminalization, but I am not so sure there is not a way to do it which is rational, fair, just, and in compliance with the charter and common sense.

• (1335)

With those two things out of the way I want to address three or four segments of the bill.

First and perhaps most important is the issue of registration. This bill would impose on Canadians an obligation to register every firearm. There may be the odd exception here or there, but generally everything is in. Every firearm is going to be registered. If it does not have a serial number, it will have to have some markings or characteristics by which it can be identified.

The concept of registration has been thought out rationally. I do not think it was a political initiative. No one is trying to pull the wool over anybody's eyes. Rational individuals, including the justice minister, have decided that registration will produce certain benefits for Canadians. It will not get rid of disease and it will not balance the budget. There are many things it will not do. However, registration will have a positive effect in the enforcement of prohibition orders.

Most rational people will understand that, if they are cognizant of what happens when the police are asked to deal with the allegation of an illegal firearm at a residence. It is all too easy for those who occupy the residence to say: "That is not my firearm; it is her firearm," or "it is my kid's; it belongs to my 19–year old".

If there is a functioning registration system, ultimately the owner of that firearm will be registered. There will not be much doubt about who the owner is. Maybe it is the kid; maybe it is the spouse. In any event the uncertainty will not be there and enforcement will be enhanced.

Second, those who deal with the trafficking of firearms believe, although I do not have any statistical evidence, that it will assist in combating smuggling. The fact that domestically owned firearms are registered and in the system allows for the ability to then identify firearms which are not in the system. The good guns are separated from the illegal guns. That will help authorities in dealing with smuggling. Otherwise they often do not know whether it is a smuggled gun. They just do not know the derivation of the firearm.

Third, the obligation to register will increase the propensity of the gun owner to comply with the existing legislation. He or she will see themselves as part of the registered gun owning public with a commensurate obligation to take care of their firearm properly.

At the moment a lot of orphaned firearms are sitting in basements and attics. All of us know where they are. They are in a little box up in the rafters, or on top of the furnace. In so many houses across this country that is where these little orphaned guns are.

Registration is required so that the people who know the guns are there will pull them out. They will get rid of them. They will give them away or turn them in. They will disable them, or whatever they are going to do. At the end of the day, the guns will be registered. They will know they have an obligation to make sure the firearm is safely stored and that it is not an orphan.

• (1340)

I think the same thing happens with motor vehicles, aircraft, and other things that we register. In any event, I do not know if that is going to happen for sure. In a rational way I can see the linkage. I am prepared to take the risk of imposing obligations on the gun owning public.

Last but not least, it is obvious that a firearm with a serial number and a registered owner is much easier to trace than a firearm with a serial number and no registered owner. That is simple logic.

I accept that registration is going to have some positive benefits and to be sure, there are costs. As colleagues have pointed out, there could be huge costs. As I read them, the costs will be more than manageable. The costs are bearable by the gun owning public. We can find an efficient and effective way to use new technology to do it.

I accept that there is a grandfather clause which will be to the benefit of many gun owning Canadians. I note that the House of Commons steering committee of the justice committee was meeting this morning to make plans to deal with the initiatives of the public in dealing with this. Many MPs will take part in that process to try to make the bill better.

I believe that my riding of Scarborough—Rouge River has Canada's only handgun manufacturer. That manufacturer does about $25 million worth of business a year. Ninety–nine per cent of the product is exported into markets all over the world.

The firearm has been purchased by the Federal Bureau of Investigation hostage release team. It is a quality firearm. We have quality firearms here in this country. We make them here. I am going to do everything in my power to make sure that this bill and the regulations do not impair the ability of my constituent business to continue to do $25 million worth of business in Toronto and Montreal which is a significant export.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, I am pleased to have the opportunity to speak on Reform's amendment to Bill C–68 put forward by my colleague, the member for Yorkton—Melville.

This amendment proposes to split Bill C–68 into two separate bills, one dealing with the criminal aspects of the bill and the other dealing with firearms regulations. These are two entirely separate and unrelated items. It makes sense that these two issues be separated and dealt with as two separate bills for expediency, simplicity and fairness.

Canadians want the opportunity to examine and debate the firearms sections of this bill openly and thoroughly. Canadians also want to see the crime control sections implemented as soon as possible.

Most Canadians will agree with increased crime control provisions but have difficulty with proposals to increase restrictions and control over firearms ownership. There has been a great deal of public discontent over proposed firearms restrictions which means that this bill is going to be subject to intense public scrutiny.

Our proposed amendment to split the bill allows the crime control provisions to go ahead without delay while the debate on gun control regulation continues. I strongly support this motion because it is practical. It allows government to push forward crime control provisions. At the same time it allows reasonable debate and consideration of the controversial proposals regarding gun registration and confiscation.

Although Canadians would prefer to see more crime control than is contained in this bill, the provisions included are clearly required and should go forward without delay to be reviewed in committee. For example, sections of this bill that I agree with call for stiffer sentences and these items should be imposed as soon as possible. Canadians have been waiting too long for mandatory sentencing of criminals who commit crimes using a firearm. This bill proposes mandatory sentencing with terms

ranging from a minimum of one year to a maximum of 14 years to be served consecutively with other sentences.

This bill also contains initiatives to toughen gun smuggling penalties and mandatory jail sentences of at least four years for the criminal misuse of firearms. I wholeheartedly agree with these proposals. However, we must not forget that sentences for the criminal misuse of firearms have been on the books for years, yet remain largely unused. Reformers have been pushing for enforcement of these laws and I am pleased to see some of our efforts realized in the bill. However, the bill still falls short of expectation, as mandatory sentences for criminal neglect causing death, manslaughter, attempted murder, sexual assault with a weapon, robbery, kidnapping and other violent crimes still need to be addressed.

• (1345)

Despite sections in the bill that strengthen the punishment of criminals, there are still many concerns with gun registration proposals which must be dealt with separately. An independent examination of gun proposals should not hold back efforts to address and strengthen criminal sentencing. That is one of the fundamental reasons we proposed splitting the bill.

Canadians are concerned that gun registration will be cumbersome, expensive and, most important, will have absolutely no impact on crime prevention. The justice minister proposes to squeeze taxpayers out of more than $500 million but cannot provide a shred of evidence that this expenditure will help control crime.

Gun owners are simply not comfortable with proposals to sentence law–abiding citizens that fail to register their firearms to prison terms of up to 10 years. These proposals are overly severe and when compared with other laws are inconsistent and do not fit the principle that punishment should fit the crime. There appears to be a complete lack of logic and an absence of justice when the bill proposes to make prison sentences for non–violent gun owners as severe as those for convicted murderers. It is nonsense.

I support the increase in penalties for violent offenders. However, I cannot support such a ludicrous and unjust sentence as contained in section 92 of the bill. How can the minister justify sentences of up to 10 years for failing to register a gun when there is no evidence that registering guns will reduce crime?

The bill would have much more support if the government could provide Canadians with some evidence showing results. However, all evidence from New Zealand and Australia shows that registration will not have the desired effect of reducing crime. Both countries tried gun registration but have since abandoned the idea because it was expensive and did nothing to prevent or reduce crime.

Not only are these proposed laws flawed, they are ill–conceived because they cannot be enforced. Police are already overworked and understaffed. Our prisons are full and are operating at 115 per cent of capacity. It costs over $47,000 a year to house a prisoner. Why is the justice minister on a crusade to put law–abiding gun owners behind bars? Talk about a misguided sense of justice.

Government simply cannot enforce these laws without spending millions of dollars on more police, parole officers and prisons, and the cost of enforcement will be of no benefit to Canadians.

Current storage and transportation regulations should not be punishable under provisions of the Criminal Code. It is nuts. The logic and rationale of this section clearly have to be reworked. The minister has openly stated that he believes the only citizens who should be able to carry guns are those in the army and the police. This bill aims to fulfil that goal by penalizing legal gun owners with registration and confiscation.

Bill C–68 clearly confuses two principles: crime control and gun control. These two issues must be separated in order that they can be dealt with clearly and logically. Gun registration affects law–abiding gun owners, not criminals. Criminals, on the other hand, must understand that severe penalties are or will be in place should they decide to defy Canadian law. The focus of the bill should be on the criminal element, not on punishing legitimate gun owners.

In good conscience, I cannot support ineffective legislation which has as its only measurable function a drain on the public purse. Bill C–68 places members in the unenviable position of having to choose between voting against ridiculous and wasteful proposals such as gun registration or voting for proposals to strengthen laws against criminals. As members of Parliament we must ensure that the laws we pass are fair and just and that they punish the criminal use of firearms, not legitimate gun owners.

• (1350)

Canadians are demanding to live in a safe and just environment, one that protects the rights and safety of law–abiding citizens and punishes criminals. This is the vision of Canada that I will support in legislation. The bill as a whole does not support that vision. I will support a bill dealing with Criminal Code amendments but not one that includes such expensive and redundant measures as those contained in the gun registration proposals.

I would like to have an opportunity to vote for the Criminal Code amendments but I simply cannot support the wasteful expenditures contained in the registration proposals. These measures are not a cost effective way of improving public safety. I will vote against the bill if gun registration is included.

Few bills are perfect. Clearly it is difficult to draft a bill that will meet the needs and concerns of all Canadians. Let's get real. As the bill now stands, as one comprehensive, all–encompassing bill, members of Parliament will be forced to vote against the entire bill because they disagree with the expensive and unworkable gun registration section.

The division of intent in Bill C–68 is obvious. The proposed amendment put forward by my colleague to cut the bill into two sections, one dealing with Criminal Code amendments and another dealing with gun registration, makes good sense. Crime control provisions need to be pushed forward right away. However gun control proposals require serious and careful examination.

Considerations of both cost effectiveness and crime control effectiveness need to be primary considerations. These must be clearly established with solid evidence to back up proposals.

In conclusion, if the government is seriously committed to meeting the needs of Canadians, then it will support the amendment. If on the other hand it is determined to ram the bill through as presently drafted against the will of many Canadians, then it will simply pay the price for not listening, the same price the Conservatives paid after the last election. Only time will tell if the Liberals are listening to Canadians.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP): Mr. Speaker, I am glad to have the opportunity to make a few brief remarks regarding the government's proposals on gun control. I would like to separate my remarks. I have substantive concerns about the legislation and I would like to indicate why it is worthwhile to support the amendment to split the bill into two. Also I have some concerns from the public at large.

I would like to congratulate those legitimate gun owners across the country who have been seriously concerned with these proposals and for the way that they presented cogent arguments. There has been very little hysteria or exhibitions of frustration on their part, although they would have been more than justified in doing so.

What we are talking about is a respect for different points of view. People have different ways of life. They do different things for their livelihood, recreation and hobbies. Gun owners deserve to have the tolerance of those who do not share their views and their activities. This unfortunately is not the case with regard to the government's proposals.

I would like to mention some concerns about public attitudes. In spite of indications that there is overwhelming support for more gun control proposals, the only poll that really has asked Canadians whether or not they think the bill will make any difference took place in Saskatchewan.

Of the people canvassed in Saskatchewan, 50 per cent were women and 50 per cent were men. Fifty per cent owned guns and 50 per cent did not. Eighty–six per cent indicated that expanding the registration of firearms will not decrease crime.

Of those who supported registration, almost 50 per cent thought it would not reduce crime. Seventy–five per cent of those polled thought there should be an evaluation of the current gun control laws before further changes are made. Surely this is a perfectly legitimate and justifiable concern.

• (1355)

Canadians were asked at the turn of the year whether they thought their perceptions about the increase in violent crime was caused by the absence of stronger gun control laws. Only 5 per cent thought increases in violent crimes were caused by insufficient gun control regulations. When that was broken down by region, 10 per cent of Quebecers thought it was a result of inadequate gun control legislation, in the west only 1 per cent thought it was as a result of inadequate gun control legislation.

Canadians have recognized that these proposals will not work, they will not reduce crime and they will not reduce violence in the home, but will just constitute a tax on legitimate gun owners.

It is often said that the police are in favour of these gun control proposals. Again I have some numbers from Saskatchewan. Of the Saskatoon police force, 98.5 per cent is opposed to these recommendations, 94.5 per cent of the Prince Albert police force and 100 per cent of some of the smaller cities in Saskatchewan are opposed. Therefore, there is no support either among rank and file police officers, those who actually have to deal with the question of guns in people's homes and who have to risk their lives every day.

The last point I would like to make is that aboriginal peoples have clearly indicated that these proposals are an infringement on their treaty rights to hunt. It is unfair and inappropriate to attack aboriginal peoples and their way of life as the government is doing.

I have some substantive points. For years Canadians have been asking for more crime control but the minister is not responding to the demand. He has missed the boat on that issue and instead is hitting responsible, law–abiding gun owners with yet another round of tighter and tougher gun control restrictions.

Those parts of the bill that are tough on the criminal use of firearms are supportable. We need to be tough on the smuggling of illegal weapons and the use of guns in serious offences. We

can all support those recommendations. However, concerning registration and the way in which Bill C–17 works, we still do not yet have a full analysis of the effectiveness of the last gun control regulations. I am sure we should have that before we move on.

Even the Auditor General has called for a thorough evaluation of existing gun control programs before any additional changes are made. He says that Canada's gun control program is controversial and complex. An evaluation of the program is essential to give the Canadian public and members of Parliament the assurance that its objectives are being met.

The Speaker: The hon. member will have the floor immediately after question period when we resume debate.

It being 2 p.m., pursuant to Standing Order 30(5) we will now proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

THE ENVIRONMENT

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, on March 27 the Federation of Canadian Municipalities announced the establishment of a 20 per cent club of Canadian municipalities taking action on climate change. The announcement took place in Berlin just prior to the conference of the parties to the framework convention on climate change.

Canadian cities have emerged as leaders in responding to the challenge of climate change. As founding members of the 20 per cent club, they have all committed to significantly reducing emissions of the gases that cause climate change by amounts in the order of 20 per cent.

In Berlin they will challenge other municipalities around the world to follow the Canadian example and join them in efforts to combat climate change.

In addition to the global benefits that can result from municipal actions, each member of the 20 per cent club is realizing significant economic benefit from increased energy efficiency and improved health for its citizens through reductions in local air pollution.

In joining together, members agree to share information, monitor progress and celebrate results on actions which they are taking.

Founding members of the 20 per cent club include the cities of Toronto, Montreal, Ottawa, Edmonton, Regina—

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, the last budget showed the true colours of the Minister of Citizenship and Immigration: No more talk about readiness to accept immigrants. Instead, we impose on them a new tax to reduce the federal deficit even though they have yet to step foot in the country. Worse yet, we are asking refugees who arrived less than a year ago, or who are still outside the country, to absorb Canada's debt.

How can we believe that the minister is acting in good faith when even the United States and Australia impose no settlement fees on refugees?

How can we exact settlement fees from refugees when they were forced to leave their countries and when Canada has recognized their right to settle here? The minister's attitude is incomprehensible, unjust and discriminatory.

* * *

[*English*]

RAIL STRIKE

Mr. Allan Kerpan (Moose Jaw—Lake Centre, Ref.): Mr. Speaker, this 35th Parliament has an enormous responsibility to get Canada's economic, democratic, constitutional and criminal justice policies in order. The clock is ticking on all fronts.

This is why many Canadians were upset with the recent political manoeuvring by which the House was delayed in passing back to work legislation on the rail strike.

Farmers lost sales, mines laid off workers, manufacturing plants shut down and our export customers were again forced to look to other countries for supplies.

Labour management disputes must be settled through an improved collective bargaining process. Canadians were disappointed that the Liberal government defeated Reform's final offer selection private members' bill and yet the very next day ran into the political squalls of the Bloc and the NDP.

Let us learn our lessons and make the system work better in the future.

* * *

BIODIESEL FUEL

Mr. Julian Reed (Halton—Peel, Lib.): Mr. Speaker, in the red book the Liberal government made a commitment to reducing carbon dioxide levels in Canada by 20 per cent by the year 2005. In December of last year the government took a big step toward meeting this target by introducing the national biomass ethanol program which has encouraged large scale production of ethanol.

The ethanol task force was encouraged by this commitment and is now focusing its efforts on promoting new renewable

fuels such as diesel fuel made from vegetable oil. Biodiesel has already established a large market in Germany and France. The Canadian mining industry has shown interest in using the fuel underground due to a lack of harmful emissions.

Biodiesel also holds the advantage of being 100 per cent biodegradable. If it spills, costly environmental cleanups are unnecessary.

I hope the government will respond to renewable diesel fuel with the same enthusiasm it did with ethanol.

* * *

FLOR CONTEMPLACION

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, the world's silence was deafening when the Government of Singapore ten days ago hanged for murder Flor Contemplacion, a Filipino nanny, rejecting a plea from Amnesty International and others for a judicial review.

Why was the international community not outraged? Where was the United Nations, which just last year discussed the plight of immigrant workers?

Had this nanny been a woman of power and wealth, would she have met her tragic fate? Wrongful convictions are known to have happened. Canada had Donald Marshall, David Milgaard and Guy–Paul Morin in recent times. Time gave these victims of injustice a chance to prove their innocence, a chance denied to Ms. Contemplacion.

Why did the world turn a deaf ear and blind eye to her tragic plight? Injustice wherever it incurs inflicts injuries not only to individuals and families, not only to a nation, but to all humankind.

* * *

THE GREEN LANE

Mr. Stan Keyes (Hamilton West, Lib.): Mr. Speaker, the minister responsible for the environment has announced the Ontario region's contribution to the green lane on the information super highway.

The green lane provides a user friendly way to access environmental information, products and services. Therefore, Canadians as well as other computer users around the world can access information from national and regional levels of Environment Canada.

The green lane represents the government's commitment to efficient, environmentally friendly information systems outlined in the blueprint on renewing government using information technology.

This initiative provides information to help people make environmentally responsible decisions. It serves as an electronic forum for environmental education.

I look forward to the day when all regions of this great country will be up and travelling on Canada's green lane.

[*Translation*]

DRUNK DEFENCE

Mrs. Pierrette Venne (Saint–Hubert, BQ): Mr. Speaker, the Minister of Justice tabled Bill C–72, claiming that it would resolve the sensitive issue of using intoxication as a defence. Need I remind the House that the Supreme Court decision on the Daviault case was heavily criticized, given that intoxication was used as a line of defence against a charge of sexual assault or assault.

The minister claims that his bill will ensure that all people who commit violent crimes in a state of extreme inebriation will be considered criminally responsible for their behaviour. Regardless of the minister's bill, a sexual aggressor whose victim succumbed to his attack is still free to use extreme drunkenness as a line of defence.

How can the minister claim to have resolved the problem of the drunk defence when his bill only covers a small group of offences?

* * *

• (1405)

NATIONAL DEFENCE

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, the incidence of suicide in the armed forces in very disquieting. Over the past few months, six soldiers have committed suicide. The families of these soldiers have asked the department to explain the circumstances of their deaths and, up to now, have received inadequate answers. This raises serious questions about the competence of the Minister of National Defence and of his department. Once again, the minister has demonstrated his lack of leadership skills.

This affair is but an episode in the long string of bungled issues at the department: first, Somalia, then the Petawawa videos; on top of those incidents, the Fowler–Doyle intrigue and now, these families demanding a public inquiry.

The families affected by this tragedy deserve answers and the Reform Party is insistent that the minister give them these answers.

* * *

[*English*]

HEALTH

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, in the last 20 years at least 150,000 Canadian women have received silicone gel breast implants. Many of these women live daily with the harmful effects of silicone leaking into their bodies causing immune deficiencies, implants contracting and massive scarring from their bodies' attempts to reject a foreign substance.

Tomorrow Health Canada is hosting its second workshop on risk assessment of breast implants in Canadian women, two years after its first workshop convened to study the issue. The federal government has all but ignored the women most affected.

No more studies. It is time for the federal government to make a real commitment to the health of Canadian women by actively supporting civil suits for compensation, making sure women get the real information they need on removing the implants or making a choice about implants and playing a more active role in counselling and support.

* * *

NATIONAL FILM BOARD

Mrs. Sue Barnes (London West, Lib.): Mr. Speaker, in Hollywood last night the Academy Award for best animated short film was won by "Bob's Birthday", a National Film Board co–production with filmmakers Alison Snowden and David Fine. It gives me great pleasure to congratulate the National Film Board on winning its tenth Oscar.

"Bob's Birthday" is an entertaining and whimsical appraisal of the self–scrutiny part of every birthday, and represents a continuation of the rich tradition of superior films with which the National Film Board has been involved. This film has already won prizes at major festivals in Canada, the U.S. and Europe.

In its 56 years of existence, the film board has received 60 Academy Award nominations. Of the ten Oscars it has won, five have been for animated short films, an area that has gained very great respect and recognition around the world.

Bravo.

* * *

FISHERIES

Mr. Joe McGuire (Egmont, Lib.): Mr. Speaker, "conservation is our main issue", cried Emma Bonino, spokesperson for the European Union. However, the activities of the Spanish fishermen off the nose and tail of the Grand Banks give the lie to that statement.

While the world community works toward a treaty in high seas fishing, the Spanish continue to pillage fish stocks. While tens of thousands of Atlantic Canadian ground fishermen can no longer earn their living from the sea, the few remaining groundfish stocks are being overfished by foreigners. We cannot simply stand by and watch this happen. We first and foremost have an obligation to defend the interests of our people and our marine environment.

The European community's own report in 1992 condemned the Spanish for violating fishing regulations. We must have effective international agreements, one providing for legitimate international inspection, one providing for legitimate international enforcement and one dealing with our real conservation concerns.

I commend the minister for his efforts to achieve such an agreement. At the same time I encourage him to stand firm in protecting Canada's interests in this dispute. He can do so confident that Canadians stand with him.

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[*Translation*]

QUEBEC REFERENDUM

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, following the Parti Quebecois youth forum on Sunday, the Premier of Quebec said that Quebecers were not ready to vote for sovereignty at this time.

On this point, the PQ leader is right. His only problem is that Quebecers will not be ready either in September 1995 or next year. The people do not want Quebec to separate.

This is clearly demonstrated by the results of a poll conducted by the council of Quebec employers, according to which 97 per cent of council members want the referendum to be held in 1995 while 89 per cent of them favour a June plebiscite.

As the leader of the Bloc Quebecois recently said, the referendum must be held as soon as possible.

* * *

• (1410)

RAILWAY INDUSTRY

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, by stubbornly making working conditions worse for railway employees, the federal government could be shooting itself in the foot.

As Jean–Robert Sansfaçon wrote in today's *Le Devoir*: "The current option of mediation–arbitration denies the right to strike without ensuring a satisfactory settlement. This approach could even aggravate the crisis in the railway industry and prevent the privatization of CN".

By trampling the rights of workers, being inflexible and refusing to make the slightest concession regarding the arbitrators' mandate, the government may have done what it should have avoided at all cost, namely causing labour relations at CN to deteriorate on the eve of this company's privatization.

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[*English*]

MEMBER FOR HALIFAX

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, I wonder if the Canadian public is aware of how the Parliamentary

Secretary to the Minister of Citizenship and Immigration, the member for Halifax, feels about the people from Spain.

The member for Halifax, it was reported, on speculating about doctors who advised Silken Laumann to take an allergy drug that cost her her gold medal commented: "They must have been Spaniards".

Not only is this a blatant insensitivity aimed at the Spanish people, it is absolutely unacceptable behaviour given her position as a parliamentary secretary for immigration. The member should be ashamed.

Canada may be in conflict with the Europeans over turbot stocks, but there is absolutely no need to attack Spanish people directly. Canada has a long standing friendship with the people from Spain. Many Spanish people are among Canada's most successful and contributing immigrants and are an integral part of our common culture.

When the member for Halifax denigrates an entire people like this, it is time to reconsider her credibility as a parliamentary secretary for immigration.

* * *

HUMAN RIGHTS

Ms. Shaughnessy Cohen (Windsor—St. Clair, Lib.): Mr. Speaker, the *Diary of Anne Frank* is a poignant reminder of the tragedy of the Holocaust. March marks the 50th anniversary of the death of Anne Frank in the Bergen Belsen prison camp.

Canadians should not and must not forget the lessons of history. We must be vigilant at home and abroad to ensure that no minority is oppressed and that human rights are respected.

* * *

[*Translation*]

FEDERALISM

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, according to a recent headline in *Le Devoir*, Quebec is hiring lobbyists to explain sovereignty to the Americans. Alain Dubuc, for his part, wrote in *La Presse*: "If there is one theme that invariably surfaces in every report from every regional commission on Quebec's future, it is that Quebecers want more information on the sovereignty project".

All the PQ and the Bloc Quebecois have done so far is to create uncertainty among Quebecers, and they now want to export this uncertainty to the U.S. The people in Brome—Missisquoi have just reaffirmed their faith in Canada and I salute them for that. Canada will continue to evolve within the context of flexible federalism, thus allowing us to better manage our economy and increase our real exports.

[*English*]

GUN CONTROL

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, as of March 15, 199 out of 202 members of the Saskatchewan Federation of Police Officers have indicated they are opposed to the Liberal's Bill C–68. That is 98.5 per cent opposed. In case the minister needs help with his math, that is only three Saskatchewan police officers in support of this legislation.

Other surveys of police produce similar results. In Moose Jaw 29 city police oppose, only 6 in favour; in Prince Albert 69 city police oppose, only 4 in favour; in Estevan 23 city police oppose, none in favour; in Weyburn 13 city police oppose, none in favour.

The police on the street in the cities of Saskatchewan are nearly unanimous in their opposition to Bill C–68. The justice minister's coalition for gun control is starting to unravel. What will he do when similar results come in from every city police force in Canada?

ORAL QUESTION PERIOD

• (1415)

[*Translation*]

BURUNDI

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, despite an apparent lull in Bujumbura, tensions between the Tutsi and Hutu tribes remain very high following massacres that claimed more than 500 victims. More than 20,000 people have fled to Zaire from Burundi. The president of Burundi admitted this was the beginning of genocide, and meanwhile, our Minister of Foreign Affairs is so optimistic he seems indifferent to what is happening.

Could the Prime Minister indicate what measures were considered last night at a meeting of the UN Security Council to put a stop to the violence in Burundi?

[*English*]

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, the Government of Canada is very concerned with what is going on in Burundi. We do not want to see a repeat of what happened in Rwanda.

Last week the secretary of state appeared before the parliamentary standing committee on foreign affairs. We spent three hours debating how we could help people in Burundi so as not to repeat the atrocities of Rwanda.

The Secretary of State for Latin America and Africa was in Burundi from February 15 to February 17 at a conference.

Strategy was discussed with the neighbouring countries. These were then forwarded to the security council.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, we are talking about incipient genocide. We have just seen a terrible example of this in a neighbouring country, Rwanda, and the Prime Minister has nothing to say about this. My question was directed to him, since he is responsible for the government and is ultimately responsible for determining foreign policy.

I want to ask him whether, instead of hiding behind a junior minister, he, as leader of the government, the Prime Minister of Canada, the man who has the responsibility, will finally realize and admit that the only way—

Some hon. members: Question.

Mr. Bouchard: They will first have to calm down, Mr. Speaker. Then I will go on.

The Speaker: I would ask the Leader of the Opposition to put his question.

Mr. Bouchard: Thank you, Mr. Speaker.

I want to ask the leader of the government, assuming there is one, whether he will finally realize and admit that the only way to avoid a repeat of the terrible blood bath in Rwanda is to send a UN ceasefire monitoring group to Burundi as soon as possible?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think it is unconscionable that when I ask a member who is a parliamentary secretary, who has more experience in this House than the Leader of the Opposition and is very well informed—

Some hon. members: Hear, hear.

Mr. Chrétien (Saint-Maurice): —and who took the trouble to prepare for Question Period, when I ask him to give information on behalf of the government, I think members should respect these people who are parliamentary secretaries and have certain responsibilities. They have information on the issue at hand.

In Burundi, as in the case of the country next door, Canada has always made a point of staying, whatever the circumstances. When all other countries had left Rwanda, only Canada stayed behind. We have always maintained a visible and occasionally unique presence, in the circumstances. In Burundi, we are now trying to avoid the worst. I think the information the House was given by the parliamentary secretary was very properly expressed and accurately described the government's position.

• (1420)

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, instead of trying to hide his failure to act under soothing assurances, I want to ask the Prime Minister whether or not he would agree Canada must show leadership by putting pressure on the UN to send a ceasefire monitoring group to Burundi which, I may remind him, is a member country of the Francophonie?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, last week, I had a chance to discuss this kind of problem and the Francophonie with the Secretary General of the Francophonie.

We discussed the possibility for the Francophonie to get more involved in political problems, for instance in Rwanda and Burundi, more or less like we used the Commonwealth to try and find a solution to the problems in South Africa. We want the countries of the Francophonie to be able to intervene in circumstances like these, and I am entirely satisfied with the way the Minister of Foreign Affairs is handling this matter.

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FISHERIES

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, the debate between Canada and the European Union at the Conference on the Law of the Sea under way in New York City shows the extent of the disagreement between the parties despite the rift emerging within the European Union. Indeed, apparently realizing the importance of Canada's complaints, a number of countries, notably the United Kingdom, refuse to impose sanctions.

Will the Prime Minister report on the progress of the ongoing negotiations between Canada and the European Union and tell us whether or not talks will continue with European Union Fisheries Commissioner Bonino, who has just been recalled to Europe?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are still negotiating with the European Community on this issue. We have clearly indicated to the European Community that our intention was to develop a fisheries protection plan for this area. Our goal is to protect the environment and we will press our point.

We want to protect fish stocks for future generations. That is what is a stake and I think that progress has been made in the negotiations. We are urging the European Community to make sure that all vessels comply with international laws and refrain from harvesting fish that should not be harvested. Once an agreement has been reached on this subject, I am sure the problem will disappear.

I should tell the House that, when I spoke with Mr. Santer, the President of the European Commission, who took the initiative of phoning me yesterday, we talked about the need to give top priority to settling the conservation problem.

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, can the Prime Minister confirm that, while favouring of course a negotiated settlement with the European Union, Canada will stand firmly by its position and take whatever measures are

necessary to enforce the fishing moratorium on the Grand Banks?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we have taken rather dramatic measures so far, but our goal is to find a solution through negotiation and preserve the species on the Grand Banks.

I think that our policy meets the support of all Canadians and we intend to pursue our efforts until we have the assurance that these fish stocks will be preserved for future generations.

* * *

[*English*]

NATIONAL DEFENCE

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the removal of Anne–Marie Doyle as a commissioner on the Somali inquiry because of her connections with Bob Fowler, the former deputy minister of defence and a key figure in the inquiry, raises some disturbing questions.

Her appointment and removal is just another in a long list of events that suggest the minister of defence simply does not know what is going on in his department. He was kept in the dark about the third airborne video. He was not briefed about high level reports on morale and now this.

If the Somalia inquiry commissioners were investigated and chosen for their knowledge and their impartiality, as he said, how could he have possibly been unaware of the connection between Ms. Doyle and Bob Fowler? Everyone else seemed to know about it.

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I find the line of questioning of the hon. leader of the third party to be most disturbing.

Ms. Doyle has agreed to withdraw her name as one of the commissioners. She is a person of great talent, ability and knowledge of government. She would have served with great distinction in that commission. However there have been questions of perception as to whether or not she would be impartial because of her friendship with the former deputy minister.

• (1425)

She decided, although she felt she could discharge her duties as the government expected she would be able to do, that it would be better for her to withdraw at this point in time.

As to the events that led up to the selection of the commissioners, there was much discussion about the suitability of those appropriate. The degree and the longevity of the friendship with the former deputy minister and his wife were not fully explored. If that is a cause for concern on the part of hon. members of the House, I apologize for not having had the information in my possession before we made the decision to select those people.

A replacement will be chosen soon. I suggest we let the commission get on with its job.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, Canadians will be wondering whether this was just a bungle for which an apology is sufficient or whether there is something more to it and whether it was planned.

The Minister of National Defence announced his intention to hold an inquiry in November. Bob Fowler did not leave his post as deputy minister until January. Before he left did Mr. Fowler play any role in the drafting of the terms of reference of the inquiry? Did he recommend any names of commissioners to the government?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, this line of inquisitorial questions is absolutely anathema to the Canadian parliamentary system.

We have seen members of that party adopt the most scurrilous of congressional American tactics in dragging the names of public servants through the mud in this country and we will not tolerate that.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, we are simply doing our job. The minister would do a better service to the House by answering the question.

Surely the minister will acknowledge that any appearance of partiality or connection with the people the Somalia inquiry is investigating undermines the whole purpose of the inquiry.

Could the minister categorically state that Bob Fowler, the former deputy minister of defence, had nothing to do with framing the terms of reference of the inquiry and played no role whatsoever in proposing the name of Anne–Marie Doyle as a possible panel member?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I made a number of inquiries on the suitability of certain individuals for the inquiry. I consulted with some of my cabinet colleagues.

The name of Anne–Marie Doyle had come to my attention as someone who had served with great distinction at the OECD. It was I who put her name forward. I certainly feel that she was a good choice.

With respect to the terms of reference of the inquiry, the terms of reference were made public last week. I worked on the terms of reference personally with the Judge Advocate General, an individual appointed by the Prime Minister of Canada, directly responsible not to the chief of defence staff, not to the deputy minister, but to the minister who stands responsible in the

House. I take responsibility for the terms of reference and stand by them.

If the hon. member finds something wrong with the terms of reference, if he has accusations to make, let him have the guts to make the accusations.

* * *

[*Translation*]

BOSNIA

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Minister of National Defence.

The United Nations Protection Force in the former Yugoslavia is facing increasing provocation in Bosnia. This situation has led to Serbian artillery fire against four Muslim security zones placed under the protection of UNPROFOR, namely Sarajevo, Bihac, Tuzla and Gorazde.

Can the minister give us an update on the situation in Bosnia, given that the temporary truce, which was violated, will expire in May, and can he also tell us about the upcoming renewal of the mandate for Canadian peacekeepers?

• (1430)

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we are very concerned about the current situation in the former Yugoslavia. We discussed the issue of personnel rotation in Bosnia and in Croatia. A final decision has not been made with regard to the next two to three months. I believe that the Prime Minister will consult the other party leaders regarding the possibility of holding a debate, perhaps tomorrow evening. Following that, we will maka a decision on our commitment.

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, I have a supplementary.

Can the minister tell us about the recent meeting of the contact group in London, and can he also tell us if Canada still opposes new air strikes by NATO forces, as suggested by the new general in charge of UNPROFOR?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, we have not changed our position on the use of NATO air power. It can be used in certain circumstances under the supervision of the United Nations.

As the hon. member knows, we have been one of the strongest proponents of the dual key mechanism whereby the actual use of that air power is under the auspices of the United Nations, the special representative, Mr. Akashi, in the former Yugoslavia. Nothing has changed to alter our views on the use of NATO air power.

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NATIONAL DEFENCE

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the Somalia inquiry was to look into the possibility that a high level cover–up occurred in DND, yet the Prime Minister's office approved the appointment of one of Fowler's oldest friends to the inquiry and strongly defended Mr. Fowler's record in question period.

Since the Prime Minister's actions have prematurely judged Mr. Fowler's role in the Somalia affair, does he not believe he has compromised the integrity of the entire inquiry?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the inquiry involves a lot of people. I am not the type of person who finds someone guilty until there is proof.

I know Mr. Fowler and a lot of people in the Department of National Defence and the armed forces who have been involved in this problem. I am not presuming anybody has done anything wrong until the inquiry is over.

As far as Mr. Fowler is concerned, I have known him a long time. He has been an excellent public servant. He has rendered great service in many departments. He was the deputy minister of defence. He will testify like anyone else. I am not about to cast doubt on the character of any person who works very faithfully for the Government of Canada.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, I am glad that the government has finally bowed to pressure and has arranged for Ms. Doyle to resign from the Somalia inquiry, but the question still remains. I cannot believe that inquiries were not made on this sort of person. Why can the defence minister not anticipate these problems until they blow up in his face? Has the minister lost control of his entire department?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the minister has answered those questions. Ambassador Doyle was very well known in the public service. It is very difficult for a minister to presume that somebody knows somebody else in the department if they do not know them personally. Hundreds of thousands of people work in the government. Even in my own office it is very difficult to know if someone knows someone else.

When this came to light, an investigation was undertaken with the other members of the commission to determine whether she was qualified. There was consultation as to whether it was an impediment. We sought advice from outside and everyone said there was no impediment. However, Ms. Doyle decided for the

good of the inquiry to withdraw her name. It is sad because she is a very competent person.

* * *

[*Translation*]

CRIMINAL CODE

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the Minister of Justice.

Last week, in a residential neighbourhood in Montreal, a bomb exploded in front of a building belonging to a motorcycle gang. That bombing, which could have injured local residents, was yet another episode in the gang war which has been going on for several months in the Montreal region and which is related to control of the drug trade.

• (1435)

Since the conflicts between various trafficking groups are escalating, will the Minister of Justice amend the Criminal Code to include specific anti-gang provisions?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the federal government has received and is considering suggestions made by the Montreal police as well as other police forces with respect to amendments to the Criminal Code to outlaw the membership in criminal organizations.

I want to point out to the hon. member we are considering those suggestions and I am doing so with the Solicitor General's ministry and the RCMP. We are examining the difficult question of how such an organization can be defined and how membership in such an organization could be determined.

In the meantime, I want to emphasize in response to the question that the criminal activities engaged in by these groups are already proscribed by the Criminal Code, including conspiracy to commit such criminal acts.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, in addition to obtaining a definition of a gang or a criminal organization from Justice officials or the police, will the minister, who seems more bent on conducting studies than taking action, pledge to amend the Criminal Code, so as to include specific and concrete measures to deal with these gangs?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it is only responsible for the government to look carefully at the implications of the suggestion before responding to the request. If the hon. member has a formula of words which he would care to bring forward for our consideration, we would be happy to receive it.

The challenge is to identify the nature of the group that is to be covered by such a provision, the characteristics the group would have and the method of objectively determining membership. We all know what we want to achieve. The question is how to do it without infringing upon legitimate organizations. If the member has a suggestion, we would be pleased to receive it.

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PEARSON INTERNATIONAL AIRPORT

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, my question is for the Minister of Transport.

It has been widely reported that the minister's own officials had prepared an extensive analysis of the Pearson airport transaction prior to its cancellation. It clearly established that the selection process was fair and transparent. It ruled out any role of patronage and indicated that the deal was much better in terms of returns to the government than anything the government's own advisers said could be expected.

Can the minister confirm that this document dated November 1993 exists, that he read it and that he passed it on to Mr. Nixon for his review?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, unfortunately for the Reform Party, we do not have Stephen Leacock working at Transport Canada.

Some hon. members: Oh, oh.

Mr. Young: I can say that the report in question, which was dated November 4, and an earlier report had been prepared prior to my becoming the Minister of Transport. I want to indicate to the hon. member that nowhere in that report did it indicate that the deal was one that should be supported by the government.

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, can the Minister of Transport confirm that he read the Nixon report? If he did, did he advise the Prime Minister that it contradicted entirely the advice and analysis of the government's own officials and an outside adviser?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, it is a rather pathetic sight to see Reform Party members who talk of trying to save money for the Canadian taxpayer and who are very concerned about getting the facts bring up a matter like this. Not only did I read the report but I also read the Nixon report.

What the hon. member might be better off doing is checking with the staff at Transport Canada, including the deputy minister and assistant deputy minister, who were not privy to writing the report. Not only that, they were sent home because the government that was there at the time the deal was done did not like the kind of advice it was getting from senior public servants at Transport Canada.

[*Translation*]

CANADIAN SECURITY INTELLIGENCE SERVICE

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, my question is for the solicitor general. According to the inspector general of the Canadian Security Intelligence Service, Ursula Menke, CSIS failed to include important information in its annual reports to the solicitor general.

• (1440)

[*English*]

The Speaker: Colleagues, I would appeal to you in question period to please let us hear the question as well as the response.

[*Translation*]

Mr. Langlois: Mr. Speaker, how does the solicitor general explain that CSIS keeps important information from him regarding its operations, although it is his ministerial duty to be fully informed of the activities of Canada's secret service?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, Ms. Menke's report concerns a period prior to my becoming minister. It concerns 1992 and 1993. I must also add that its annual report is not the only method CSIS uses to inform its minister. It reports orally and in writing to the minister and does not depend solely on annual reports. I am currently reviewing Ms. Menke's recommendations and will do my best to improve the situation, which dates back to a period before the government came to office.

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, since we now know that CSIS deliberately kept information from the solicitor general, how do we know the solicitor general is answering our questions fully on CSIS activities, given that he himself has been kept in the dark?

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, I repeat what I said before to the hon. member.

The annual report of CSIS to the Solicitor General is not the only means by which the Solicitor General is informed about the activities of CSIS. In between the annual reports, the Solicitor General gets many oral and written reports and briefings as time goes on. This material may or may not be reflected in the annual report. This is just one of many ongoing means of informing the minister.

My hon. friend should not have hesitated to say that the certificate of the inspector general dealing with the 1992–93 annual report to the minister actually concluded: "I have concluded that overall, the 1992–93 annual report provides a reasonably accurate, comprehensive and balanced account of CSIS activities". I wonder why the hon. member forgot to tell the House that.

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HUMAN RIGHTS

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, my question is for the Minister of Foreign Affairs.

In the face of worldwide condemnation of Turkey's invasion of northern Iraq which started last week, what is the Government of Canada doing to stop this invasion, the slaughter and the deportation of thousands of innocent Kurdish people?

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I congratulate the hon. member for his speaking out against human rights violations anywhere on this planet. He will be pleased to know that last Friday a senior official of the foreign affairs department called in the Ambassador of Turkey to express Canada's concern about the recent actions.

It is our hope that the Turkish military forces will remove the troops from northern Iraq and will do everything possible to avoid civilian casualties there. We call on Turkey to respect human rights, but in particular the cultural rights of the Kurdish community in Turkey. I am sure that the Government of Turkey will listen to our concerns.

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PEARSON INTERNATIONAL AIRPORT

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, my question is for the Prime Minister. Immediately after the last election he stated that getting to the bottom of the Pearson deal was his government's top priority.

Would the Prime Minister inform this House if he was aware of the internal analysis which suggested the Pearson deal was a good economic deal for Canadians, that the selection process was fair and transparent, and that cancellation of the deal could cost the taxpayers between $500 million and $2 billion?

• (1445)

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the Reform Party member who asked the first question inquired whether I had read the report. I indicated that I had. It seems the transport critic for Reform has not read it.

Two options were put forward in the document to which the hon. member refers. Let me tell you what the two options are, Mr. Speaker, so the hon. member will be aware of them.

One option was to cancel the deal. That was the option in the document. The second was to renegotiate the deal. Nowhere in the document did anybody recommend that the deal that was struck days before the election by a lame duck government should be maintained.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I have a copy of the document which contradicts what the minister says.

My supplementary question is for the Prime Minister. Allegations of a Liberal cover–up in the Pearson deal are being made in the nation's media as well as in the House. At the same time, more and more documentation supporting these accusations keeps surfacing.

When is the Prime Minister going to hold an inquiry into the whole sordid affair, not an inquiry by a Liberal dominated Standing Committee on Transport or a Senate inquiry by the Tory dominated other place but a real, impartial public judicial inquiry, the kind the Minister of Transport threatened the Senate with in October?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, a court case is now under way. The other place will determine whether it wishes to pursue the matter.

I would have thought the hon. member and most responsible members in the House of Commons would understand the biggest threat that exists at Pearson today is the fact that we could have 10,000 to 15,000 people working at Pearson. We could be building the kind of facility that the travelling public deserve if only people would act in a responsible way.

At this time in our history when the budget has been brought in, with all the efforts being made by Canadians from coast to coast to get our fiscal House in order, the hon. member and others are prepared for political purposes, and for political purposes only, to put the Canadian taxpayer at risk for $445 million.

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[*Translation*]

FRANCOPHONES OUTSIDE QUEBEC

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for the President of the Treasury Board.

According to Treasury Board's latest statistics, anglophones in Quebec are five times better served by the federal public service than francophones in Canada in general. In fact, to serve an anglophone minority of 9.2 per cent in Quebec, the federal government staffs 52.4 per cent of its jobs with bilinguals. If the federal government used the same ratio in Ontario, it would have to staff 10,000 bilingual positions instead of 3,000.

How can the President of the Treasury Board justify this lopsided application of federal standards for service in the other official language?

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, we quite clearly—as the commissioner of official languages has also indicated—want to ensure that people can get service in the official language of their choice in this country.

Obviously a high level of service exists now. The commissioner indicated that in 90 per cent or more cases, people can get the service they want when they want it. It is not perfect. More work still needs to be done. Certainly the government is committed to help make a reality the choice of Canadians to have federal government services in the language of their choice.

[*Translation*]

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, the official statistics would lead us to believe that the only well served minority in Canada is the one in Quebec.

Some hon. members: Hear, hear.

Mrs. Tremblay (Rimouski—Témiscouata): Mr. Speaker, given the unequal service provided to francophones and anglophones in this country by the federal government, will the President of the Treasury Board commit himself in front of this House to ensuring that the planned staff cuts of 45,000 do not erode even more the quality of service provided to francophones outside Quebec?

• (1450)

[*English*]

Hon. Arthur C. Eggleton (President of the Treasury Board and Minister responsible for Infrastructure, Lib.): Mr. Speaker, I do not accept the premise that in other parts of the country people are not being served in the official language of their choice. People can get and should be getting services in either French or English throughout Canada. It may need improvement in some areas but there is still a very substantial, good service being provided in all parts of the country.

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NATIONAL DEFENCE

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, in debate last Thursday, the Minister of National Defence stated that the cabinet had not yet taken a decision as to renewing or ending the commitment of Canadians to Bosnia–Croatia. He repeated that today.

Can the minister tell the House what special considerations or concerns have caused the government and the minister to delay to this last minute before making a decision one way or the other?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member should know that there have been a number of developments in the former Yugoslavia in the last few months, not the least of which is President Tudjman's belief that UNPROFOR should leave Croatia.

This matter was resolved some weeks ago and there have been discussions about a new kind of force in Croatia. The role of Canada and other nations in that force is something for discussion.

We have been preparing the two battalions of the Royal 22nd Regiment to go to Croatia and Bosnia. They are set to leave next Monday. However, a final decision on the actual deployment is yet to be taken.

The government House leader may be talking with the opposition House leaders to see whether or not a debate could be arranged tomorrow to get a sense of the House on this very difficult subject.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, we are glad to hear there have been discussions with other parties but there have been no discussions between the government and the opposition on whether they should go forward.

The minister now says perhaps a debate tomorrow. The mandate expires on March 31, just four days from now. Does the minister not think that this is short notice and a little late in the game to be going with a debate at this stage?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, while the hon. member is technically correct in the sense that the mandate expires on March 31, should a decision be taken whereby we do not continue, those troops would stay in place for a certain period of time until replacements could be found. However, we believe that we have the flexibility to discharge our obligations to UNPROFOR.

With respect to a debate in the House, it is a matter between House leaders and is something that will be discussed between them, hopefully later today.

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HEALTH

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, my question is for the Minister of Health.

Every day AIDS continues to take the lives of Canadians from my riding and across the country. AIDS organizations must conduct effective research and education, prevent the spread of AIDS and support victims and their families. They require consistent and stable funding.

Can the minister confirm or deny reports that there are to be cuts to vital AIDS funding this year?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I am pleased to say there will be no cuts to AIDS funding at this time. The government's commitment to fighting HIV remains undiminished, as you can see with the figures in the budget. Half of these funds will go toward prevention, care and treatment and the other half will go toward research funding.

At this time I would like to acknowledge the tremendous amount of work that the hon. member has done on this both here in Ottawa and in his riding.

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[*Translation*]

KANESATAKE RESERVE

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, my question is for the Minister of Indian Affairs. In 1993–94, a lump sum of $640,000 was paid to the Kanesatake Band Council to fund land claim negotiations.

Can the minister tell us why the band council, who had received a $640,000 special grant for negotiation purposes in 1993–94, did not even appoint a negotiating team until December 1994?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, as the hon. member knows, the problems at Oka and Kanesatake are longstanding. People did not even want to be there. Mohawks from Montreal Island and Algonquins from the Ottawa Valley were moved to this site. The Abenaikis were moved there. The Attikamekw were moved there.

We now have the housing authority. We signed an agreement in December last year to resume negotiations. There is a good negotiator, a good mediator. We have made progress at the Mohawk round table.

● (1455)

As I pointed out yesterday these people want relationships. They want progress. They want prosperity and we will work with them.

Any suggestion that the Bloc and the hon. member can make on those three subjects that will help me, I am prepared to listen to and implement if it makes sense.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, I gather from the minister's response that $640,000 of Canadian and Quebec taxpayers' money has disappeared and he has no idea where the money went. In fact, last year, the minister launched an inquiry into the use of federal funds by the band council.

Were the findings of this inquiry submitted to the minister and do they substantiate the disbursement of $640,000 in government funds?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I will take that specific question as notice and give the information to my friend.

Again, what we inherited was a community in chaos. The Government of Quebec and the Government of Canada spent over $230 million. By any standard, by any stretch of the imagination, what is happening today where people are sitting down, talking and reaching conclusion is better than what we started with.

* * *

IMMIGRATION

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, this is the day that the minister of immigration can show us what decision making and integrity really are.

The minister only needs to follow the advice of his own officials and use existing legislation to immediately deport Laotian gang enforcer, Boujan Inthavong, and overrule the refugee board.

This thug Inthavong helped beat a young 17–year–old to death. He was ordered deported, appealed his deportation and got a refugee decision in 50 minutes.

Will the minister today tell me what his decision is on Boujan Inthavong? Will he declare this thug a danger to the public and use existing laws to deport him today?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the member asked me this question some time ago.

I told him then and I repeat again today that our officials have served him notice that they will be recommending action according to section 53 as a result of that. The individual has a certain length of time to respond. Until that time has elapsed the recommendation cannot be made to the minister.

As I told the member then and I tell him today, when the recommendation comes to my desk I know fully what to do.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, there is a reason why I ask these questions. In case the minister is not aware, the deadline is today, March 28. That is why I am asking the question.

All we are trying to do is help the police forces clean up our streets of thugs like this.

If the minister orders this thug deported to Laos can he actually get him out to Laos? My understanding is that Laos is going to say to us: "Sorry, we don't want this thug". How is the minister going to get him out of the country?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the act provides for the minister to deem individuals dangerous to the public. That recommendation from our departmental officials, according to statute, has not been made. When it has been, the government and this minister will deal with it accordingly.

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TURKEY

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, my question is for the Prime Minister.

Last week I met in an Ankara, Turkey, prison with four respected members of the Turkish parliament, including Leyla Zana, who were sentenced in December to terms of up to 15 years for speaking out for human rights and democracy for the 12 million Kurds in Turkey.

In light of this appalling attack on elected members of Parliament, I want to ask the Prime Minister to explain why his government is sending a ministerial delegation to Turkey on April 23 to celebrate the 75th anniversary of the same Turkish parliament. Will the Prime Minister in these circumstances agree to review this decision which deeply concerns not only these members of Parliament but I am sure many Canadians?

• (1500)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I will certainly look into that possibility. It might be a good occasion for the ministerial delegation to raise the issue of human rights with the government when it is there. One way or the other, I would like the question of human rights to be raised with the Government of Turkey.

Perhaps one way is to cancel the delegation or the other way is to send the delegation with a mandate to talk about it.

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Mr. Speaker, in view of the very grave human rights abuses committed by the Turkish government, including its history in Cyprus and the current illegal assault in northern Iraq, will the Prime Minister now explain why the head of the Turkish air force was invited to Canada last month, invited to fly the CF–5 aircraft himself?

Will the government finally do the right thing and not only cancel any potential sale of the CF–5s to Turkey but join our NATO ally, Norway, in saying that there will be no arms sales whatsoever to the repressive regime in Turkey?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, my colleague, the Minister of Foreign Affairs, has answered the question a couple of times in the last 10 days.

There has been some indication by the Government of Turkey about the surplus CF–5s and there have been some informal discussions. However there is no deal pending.

Our position is well known on the exporting of arms. We want to make sure, if that is done, that certain safeguards are in place. I believe the question at this time is somewhat premature.

* * *

POINTS OF ORDER

COMMENTS DURING QUESTION PERIOD

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I rise on a point of order. I do not have Beauchesne with me but I understand that once a minister quotes from a specific government document the document should then be tabled in the House. I call on the minister to table the document with the House.

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, I rise on the same point of order. I sent notice to the Minister of Transport in relation to an answer that he gave in the House during question period with respect to a document from which he clearly quoted in relation to the Pearson affair.

I quote from the French version of Beauchesne, the sixth edition, at page 158, item 4, paragraph 495:

[*Translation*]

(1) A minister is not at liberty to read or quote from a despatch or other state paper not before the House without being prepared to lay it on the table.

[*English*]

The Speaker: Order. By the minister intervening at this point perhaps he can clear up the matter being raised as a point of order. If it is not cleared up I will return to the hon. member for Sherbrooke.

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the Reform critic and the hon. leader of the fifth party in the House have both raised a point of order dealing with the issue of the report.

• (1505)

I know the hon. leader of the fifth party is not often in the House and the Reform critic often misses—

Some hon. members: Oh, oh.

The Speaker: I remind members of the longstanding tradition that we do not refer either to the presence or the absence of any member of the House.

I was hoping the Minister of Transport would be able to make a definitive statement, hopefully clearing up the matter. I invite the Minister of Transport to make his point.

Mr. Young: Mr. Speaker, I place on the record of the House the document to which I referred.

Just for the record, it was made public in December of last year in the court proceedings.

The Speaker: I guess that clears up the matter.

GOVERNMENT ORDERS

[*English*]

FIREARMS ACT

The House resumed consideration of the motion that Bill C–68, an act respecting firearms and other weapons, be read the second time and referred to a committee; and of the amendment.

The Acting Speaker (Mrs. Maheu): Resuming debate with the hon. member for Saskatoon—Clark's Crossing who has four minutes remaining.

Mr. Chris Axworthy (Saskatoon—Clark's Crossing, NDP): Madam Speaker, as I was saying before the break, the Auditor General of Canada advised the government to evaluate the present gun control program before moving on to any additional provisions. I quoted from the auditor general's statement.

It is also interesting to note that the Wade report indicated that police officers across the country have said that present gun control regulations are "a nearly impenetrable maze".

Instead of the federal government taking the time to see if Canada's gun laws are working, and they are already among the most stringent in the world, it has preferred to go after law–abiding people with more laws, more restrictions and more costs. If passed the legislation will result in law–abiding citizens having their legally acquired personal property subject to unprecedented scrutiny and red tape, again unmatched anywhere else in the world.

Law–abiding citizens will face criminal records unless they succumb to the legislation that will do nothing, as we all know, to reduce crime but will cost millions of dollars and will be very complex and cumbersome to administer. It appears members opposite simply do not trust people who legally own and responsibly use guns. The western provinces have taken the lead in ensuring that the government is aware of the widespread opposition across western provinces to the legislation which, as I say, simply will not work.

It is easy to support proposals that deal with the criminal use of firearms which is, after all, surely what gun control should be about. Proposing to clamp down on the smuggling of illegal weapons can be supported as can proposing stiffer penalties for

the criminal use of firearms. We should be dealing with crime as those provisions do and with crime prevention. We should be putting the millions of dollars the proposal will cost toward fighting crime in the streets.

A couple of specific provisions are worthy of note. In particular let us be reminded that all provinces and the country at large are facing extreme difficulties with regard to finance. Instead of tying up enormous police resources in a bureaucratic registration system, police officers should be on the streets dealing with crime in our communities.

• (1510)

I should like to close on the following two points. One is the quite remarkable arbitrary powers provided in the legislation to the Minister of Justice in section 109. The Minister of Justice clearly is of the view that provincial attorneys general will not uphold the law with regard to any legislation that is passed.

That is quite a remarkable reaction when we know that every attorney general has the legal responsibility and will carry out the law as implemented. The arbitrary extreme powers awarded to the federal minister in the legislation are completely unacceptable and should not be countenanced.

I point to one provision that raises the absurdity of the legislation. Clause 35 will make it easier for an American hunter to hunt on Canadian publicly owned land for 60 days than it will for a Canadian to do so. Surely it is absurd and surely it points to some of the major problems contained in the legislation.

I wish the minister would evaluate, as the auditor general and as the western ministers of justice have asked him to do, the proposals to see whether or not they are working effectively. If they are not working effectively and if indeed we could reduce crime and violence in the home by something similar, we could support it. However at the moment there is no evidence to suggest that and I am happy to support the amendment.

Mr. Art Hanger (Calgary Northeast, Ref.): Madam Speaker, I am pleased to rise to debate the amendment to split Bill C–68 respecting the Firearms Act.

As debate progresses on the bill the level of emotional rhetoric increases. We heard from members of the House interests of all kinds represented here. Feminist groups and their representatives in the House have somehow managed to find a correlation between long gun ownership and violence against women.

We have heard from people who claim there is a correlation between the number of guns in the country and the levels of criminal activity, even though they are unable to show us numbers to back up the implicit assertion.

We have heard from anti–gun purists. The parliamentary secretary to the minister of immigration told us that when she walks into a gun club she says: "Gentlemen, I am your worst nightmare". Most disturbing is that the Minister of Justice thinks only armies and police ought to be able to own guns.

Those interests deserve to be represented as do all interests in the House. However, we achieve nothing by clouding Bill C–68 in rhetoric arguing that guns are inherently evil and must be done away with or rhetoric presuming that violence against women is somehow related to whether or not Canadians need to get a licence for their duck hunting shotguns.

I do not doubt the intention of people who say this type of stuff may be good. However their logic is trivial and is intended to cloud an issue that deserves careful, rational consideration because of enormous costs that would be involved in implementing Bill C–68, the implications of the legislation for gun owners and the mandate the bill would give to police to monitor people who legally own guns. The police can barely handle the complaint load they have without being downloaded additional duties to follow up on registration.

There are two intentions buried in the bill. One is crime control and the other is control of guns. They are two very different intentions. It is a profound mistake to confuse the two issues as Bill C–68 does.

As I previously said, some members of the House seem intent on confusing the two issues. They would have us believe control of crime and control of guns are hopelessly intertwined. That is irrational. It ignores not only empirical data but common sense.

• (1515)

In Canada we have a crime problem. No one would disagree with that. We also have gun control laws that are among the most restrictive in the world. The following question begs to be asked: How can it be that we have extremely restrictive gun control laws and a crime control problem at the same time? The answer is there is literally no correlation whatsoever in the developed world between gun control laws of a country and its crime rate.

The auditor general's report clearly gave direction to the government to review all gun control laws that presently exist and the government refused to do anything about it. I ask why.

There may be a correlation between the number of crimes committed with guns and gun control laws. It is not what the proponents of Bill C–68 are trying to convince us of. They are trying to convince us that if we legislate burdensome registration on the owners of hunting guns we will see a reduction in the crime rate. That is absolute nonsense.

If Bill C–68 passes, which the government seems intent on, the Reform Party will be monitoring the crime rate daily, that is if the crime rate is reported accurately. There is some question whether it is consistent.

If there is no drop in the crime rate—I doubt very much if any will occur—the Reform Party will remind Canadians of the intrusion into their personal property rights the government has undertaken. We will remind the Canadian people it was all for nought, just another means to draw dollars out of their pockets.

The only purpose served by this needless and authoritarian expansion of government power and the application of the outdated ideology which still animates the party across the aisle seems to be more restriction or more involvement into the affairs of the average individual.

Like most reasonable and responsible Canadians, the Reform Party understands there is a social good to be derived from controlling access to and ownership of weapons in Canada. That is only reasonable. However, we think the restrictions have gone far enough and need go no further.

Even further than Bill C–68 are the sentences imposed for using firearms in the commission of a crime. We would like to see more emphasis in this area. Members on the other side of the House possibly disagree that the way to control criminal activity is to control criminals. Can the members on the other side of the House possibly disagree that controlling the perpetrators of crime is far more important than controlling the tools a perpetrator uses to commit a crime?

Bill C–68 flies in the face of common sense logic. The government is flying in the face of logic. The government is attempting to foist on Canadians a radical ideology of government intervention veiled in the garb of crime control, obscured by rhetoric that appeals to the common desire to control criminals.

There are two very different intents underlying Bill C–68. One to control criminal use of guns; the other to control and restrict the ownership of guns. One is a criminal office; the other is not. One is an offence which the government and our party want to see made a more serious offence. The other is a legitimate activity—the ownership of property—the government wants to slowly, if inevitably, do away with. That is unacceptable. It is a power grab by the government. It is an infringement upon individual liberties.

The government wants Canadians to pay a very high price in freedom despite being unable to show there would be any reciprocal payoff in social benefits. What kind of deal is that? What kind of government is that?

• (1520)

As a former police officer who served on the Calgary police department for 22 years I can say with no hesitation whatsoever that this bill, if passed without the amended split we are arguing for and for which I seek support of the members of the House, would have unexpected consequences for most of my colleagues in the House, including the Minister of Justice.

Realistically, mixing the criminal and the regulatory enforcement would have the effect not only of allowing for criminal prosecution of people or even farmers who neglect to register a legal or useful tool, but would also give police officers the right and even the obligation to search out owners of unregistered or poorly stored guns. That obligation on the part of the police would not differentiate between those people who use guns to commit crime and those who collect weapons or hunt with them.

As a former police officer and someone who has given his entire working life to law enforcement and who is very much committed to reasonable gun control measures, I can say the consequences of bringing things like gun storage and registration into the Criminal Code will have unexpected and frightening consequences.

It would not assist any police officer to register every weapon and have that so–called list when the record in other jurisdictions of non–compliance is very clear. People would not comply with the law in that respect, given the track record of Australia and New Zealand as examples.

I urge my fellow members of the House to come clean with the Canadian people. I urge them to allow full access to debate on the bill. There are some serious flaws in it. The bill must be split and I urge all colleagues in the House, on the Liberal and opposition sides, to support the amendment to split Bill C–68. To keep it in its present state is not forthright.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Madam Speaker, I appreciate the opportunity to debate Bill C–68, an act to restrict firearms and other weapons.

I congratulate the hon. Minister of Justice for making good on the government's promise to fight crime with tough but fair firearms legislation. The minister is to be congratulated because Bill C–68 is the product of an open dialogue between ordinary Canadians, police officials, people working in the justice system, sharp shooters, legitimate gun collectors and the justice minister.

Last November when the government originally announced the action plan on firearms control a number of people expressed concern about certain conditions of ownership, including the sale, trade and exchange of particular firearms among legitimate owners and collectors. The minister listened to these concerns, demonstrated his flexibility and changed his action plan so that legitimate gun owners are treated fairly under Bill C–68.

Overall, I do not think anyone in the House or any law–abiding Canadian would dispute the minister's efforts to crack down on the criminal misuse of firearms. All law–abiding Canadians welcome harsh penalties for the violent misuse of firearms.

In keeping with the Liberal promise of safer homes and safer streets, Bill C–68 will impose mandatory prison sentences and a lifetime prohibition from gun ownership for anyone using a firearm in the commission of a murder, attempted murder, robbery, kidnapping, sexual assault and five other criminal offences.

Critics of the current gun control legislation brought in under former Conservative Justice Minister Kim Campbell say that some of the previous legislation is not proving very effective in court. This is true. That is why we need Bill C–68, to win court cases and to justly punish criminal behaviour.

For example, statistics from the justice department show that two thirds of weapon charges were dismissed, stayed or withdrawn due to plea bargaining or problems with presenting evidence in court. To overcome this legal wrangling, Bill C–68 will put in place tough measures to ensure swift and sure punishment.

Let us turn to the traffic of illegal weapons across our borders.

• (1525)

Last year the federal government took organised crime head on and successfully quashed the illegal trade of cigarettes. The same must be done to halt the illegal trafficking of firearms across Canadian borders. Bill C–68 will impose stern penalties against gun smugglers, including the immediate seizure of vehicles, boats and aeroplanes used in the trafficking of contraband. New import and export controls will provide a greater degree of protection to legitimate Canadian commercial interests. Cheap imitations of so–called Saturday night specials which have a propensity to misfire and cause injury will be less common and not as easy for criminals to access. Consequently, all Canadians will benefit.

All told, it seems the main objection to Bill C–68 is the proposed registration system. It does not matter how many times the minister has said registration does not mean confiscation. The purpose of registration is to limit access to firearms, to promote their safe use and storage and to control their movement. Careless ownership does cost lives. For example, the gun that killed Constable Todd Bayliss in June of 1994 was stolen from an Etobicoke widow. The gun was left lying on a shelf in her closet and was easy prey for the thief who stole it.

While there are many responsible gun owners who follow safe storage rules, far too many do not. The registration system will require all gun owners to be responsible. I do not think any legitimate gun owner worth his or her salt would disagree with safety measures which would prevent children from having accidents with carelessly stored firearms or from keeping loaded weapons out of the hands of criminals on a smash and dash, break and enter. The registration system coupled with increased border controls will make it far more difficult for criminals to access prohibited weapons.

The cost of the system, estimated at $85 million, will be entirely recovered through user fees. This is consistent with principles laid out by the federal government's recent budget. These fees are a small price to pay for public safety. The Minister of Justice does not, as some assert, have a hidden agenda to make gun ownership prohibitively expensive. The registration fees applied to the ownership of motor vehicles does not prohibit millions of Canadians from driving cars. There is nothing which would indicate that gun registration would be more expensive than any other registration system. In short, we need the co–operation of legitimate gun owners to ensure public safety for all Canadians.

I am curious about the position on gun control taken by my hon. colleagues in the Reform Party. Strangely enough, an October 1994 Reform Party resolution echoed support for the federal government's initiative. I quote from the Reform Party resolution under social issues: "If elected, a Reform government will introduce legislation by which the criminal misuse of firearms will be severely punished and the right of law–abiding citizens to own and use firearms will be protected".

That sounds like it is Bill C–68 promised in the Reform platform. What happened since then? Did the gun lobbyists get to Reformers? Are they that weak kneed that they gave into the gun lobbyists? They should stick to their platform as promised. That is why they were elected. Under this legislation only criminals will be prevented from owning a gun and the rights of law–abiding citizens will be protected. Perhaps the leader of the Reform Party might clarify things for us. If he would state his precise position on gun control instead of making vague statements we might know exactly where Reform stands on the issue.

The residents of Parkdale—High Park strongly support the government. I did a poll two years ago in my riding on tougher controls on firearms and 67 per cent said they want and support stronger firearms control. In my town hall meetings today, two years later, that percentage would probably jump up to 80 per cent or 90 per cent. Instead of a weakening position, it is a stronger position for Bill C–68. I hope we can count on all members of the House to protect Canadians by supporting Bill C–68.

Not long ago the President of the United States spoke to a joint sitting of the Senate and the House of Commons in the Chamber. He congratulated Canada because we recognize the legitimate use and ownership of firearms as opposed to the criminals owning them and the guns getting into the wrong hands. The President of the United States is complimenting our country on our way of doing things.

• (1530)

We can take a lesson from that. Let us not go the U.S. route. Let us go the Canadian route. Let us do it the Canadian way. The Reform Party wants to go the U.S. way. If we go that way, I am afraid the crime rate will grow and the cities, especially the inner cities, will be more violent.

That is not what we want for Canada. We want safe communities and safe streets. It has to begin in the families, in the schools, in the municipal and provincial governments, and here in the federal government where we must bring in legislation which is good for all Canadians.

Mrs. Jan Brown (Calgary Southeast, Ref.): Madam Speaker, I am pleased to rise to speak on this bill today.

I strongly support the initiative to split the bill. Splitting the bill would allow us to deal separately with the proposed changes to the Criminal Code and the proposed changes to firearms restrictions such as registration.

The issue of gun control stirs great emotion in the hearts of so many of us. This demonstrates to me a pressing need for Parliament to allow free votes on this matter. I am sure there are more than a few Liberal backbenchers who agree with me on this point.

My constituents, as far as I have ascertained, are struggling with all of the arguments and appear split on the issue. I recognize there are good arguments to be made for both positions. However, today I will address, as we are meant to do at second reading, the intent of the legislation.

Remember, the Liberals consider this bill to be a substantial component of their so–called safe streets package. I am going to address three safe streets issues that this bill, in my view, fails to address: guns in the commission of violence against women; guns used in suicides; and guns used by gangs.

As parliamentarians we face difficult issues. As a member of the Reform caucus I acknowledge that I have the freedom to follow the wishes of my constituents on issues such as these. I believe that for too long now the voices of average Canadians have not been heard. In fact, they have been completely ignored.

I believe it is my job to represent the constituents of Calgary Southeast in this Chamber. I strive in everything I do to bring their views to Ottawa. Members of Parliament have many opportunities to listen to their constituents. Letters, phone calls, faxes, newsletters and Internet are all wonderful vehicles to highlight constituents' concerns. In turn, I have made every effort to bring the issues of the day to the constituents.

On the matter of gun control specifically, I ran a survey in the late summer of 1994 in my householder. Slightly more than 400 people responded to the more than 51,000 mailed. This in my view does not represent any kind of a credible sample. I am therefore undertaking another effort on the same issue using a new voter technology incorporating the convergence of telephone and computer.

I expect a much higher rate of response and my vote will be dependent upon the consensus view as expressed by the constituents of Calgary Southeast. No amount of pressure from lobby groups will interfere with this democratic and populist process. Of the hundreds of letters, faxes and phone calls that I receive, most come from a well orchestrated lobby outside my riding. Rest assured, and I want to be unequivocally clear here, my objective is to achieve consensus with only the residents of Calgary Southeast.

According to the minister, this piece of legislation is meant to make our streets safer for Canadians. Unfortunately, the measures in this bill do not address some relevant concerns. We in the Reform Party will support any initiatives that address the rights of victims and will also address the issue of public safety.

I previously asked a question of the Minister of Justice about this legislation. I am concerned that it does very little to address the root causes of crime, especially those of violence against women.

I remind the House that the Liberals introduced gun controls in 1977. The Tories imposed more controls in 1990. We have had gun registration in Canada since 1934. Despite all of these controls and restrictions accompanied by haphazard enforcement, rates of spousal homicides have remained constant for the last 29 years.

• (1535)

Clearly the problems of domestic violence are not caused by unregistered guns. How can the minister suggest as he has that registering a gun will keep someone from using it to kill their spouse? In fact he has yet to put forward an acceptable and reasoned argument to support that suggestion.

Domestic violence is a serious problem which needs to be remedied, but gun controls will do nothing to address this problem. Less than half of all spousal homicides are committed with guns whether they are registered or not.

The National Crime Prevention Council is studying violence against women and children. The heritage ministry is studying violence in broadcasting. The health ministry is studying violence against women and children. Domestic violence has been studied for over 20 years. It has been studied to death and there has been no action. Why is the Minister of Justice focusing on guns instead of looking at measures to address the root causes of violence in our society?

Violence against women is a sordid reality and not a fantasy confined to the pages of a tabloid newspaper or a pornographic magazine. The history of violence against women is like Pandora's box that opens and reveals the ugliest side of the human condition. We would expect by now that complacency would be

shattered in the details of horror and abuse that so many women have lived to tell, and what of those who have died?

It was inexcusable for the justice minister who professes to champion women to artfully dodge my questions posed in this House. We do not need the minister's platitudes nor his citing of statistics to tell us that we have a problem of domestic violence in this country. What specific plans does this government have to get at the root causes of violence against women?

Until gender roles are eliminated, until the family no longer serves that convenient arena for male violence, until wife beating is no longer a logical extension of male domination, and until our justice system demonstrates its capacity for justice, we do not have a blueprint for change. Intellectual and political anguish have become meaningless. Violence against women exists. We have endured enough. These gun control measures do little or nothing to address it.

The measures in Bill C–68 simply fail to go far enough. What we need are measures which will deal effectively with the criminal use of firearms. Unfortunately, the legislation provides only minimum sentences of four years for the commission of any of 10 specific violent offences with a firearm. The legislation does not require that these sentences be consecutive to other sentences. This leaves open the possibility that such sentences could be concurrent.

The Canadian public is no longer satisfied with the judiciary giving out concurrent sentences, especially for violent crimes committed with a firearm. It is time that individuals who commit crimes and multiple criminal infractions with guns paid for their mistakes to the full extent of the law.

In response to a question on March 23, the Minister of Justice suggested that his gun control bill would address the use of firearms in suicides. These sentiments are carefully crafted and indeed noble, yet there are no provisions within this bill which will reduce the use of firearms in suicides. In fact, short of banning all firearms, I can think of no gun control measures which will curb this phenomenon.

Since the gun controls introduced in 1978, the suicide figures for Canada have remained fairly stable. So too have the number of suicides committed with firearms. Suicide is a tragic consequence of current societal dysfunction and particularly so for our native communities where the problem is proportionately greater. Banning guns is not the solution. Statistically, guns are not often used in a suicide attempt. In 1992 only 1.3 per cent of the suicides were committed with guns.

More important, people who attempt a suicide need help. They need to know there are many in this country who are working to ensure personal autonomy, socially and economically. Greater economic opportunities will encourage this objective. Giving people a new start is all that some will need.

Let us not be foolish in our approach. We will not solve the problem of suicides by banning and restricting guns.

Another issue which this bill fails to address is the growing problem of gang crime. The proposals will do nothing to prevent the commission of crimes by gangs. This is an increasingly frightening problem in our urban centres. We cannot continue to address the problem after the fact. We treat the wounded or bury the dead, sometimes lay charges and even convict. Would it not be more effective to implement those measures which would prevent the commission of these senseless acts of violence?

The Reform Party has consistently argued for more vigorous sentences for crimes committed with a firearm. We have recommended the elimination of firearms charge plea bargaining. If the charges are consistently thrown out, why would criminals worry about using a firearm? We support attacking the healthy gun smuggling trade. We have already discussed substantially increasing the penalties for the use of firearms in crime. We should start an overhaul of our prison system.

• (1540)

Finally, what the bill fails to address and what the government fails to realize is that we need to come to terms with what drives people to violence.

In conclusion, I wish to remind the House that this bill deals with at least two substantively different matters. It deals with registration of firearms as well as their criminal use and distribution.

I would also like to reiterate that I will consult with my constituents and will make every effort to reflect their wishes on this bill in the House.

Mr. John Maloney (Erie, Lib.): Madam Speaker, the government's commitment to tougher gun control has been the subject of some controversy. I wish to explain in some detail the position I have taken on this issue after talking with numerous gun owners, attending many meetings with gun enthusiasts, and giving this matter lengthy and serious consideration.

The debate on gun control ranges from those who would ban all guns, with which I disagree, to those who feel they have the right to bear firearms unrestricted and unregulated, anytime and anywhere, with which I also disagree. Gun ownership is a privilege and carries with it certain requirements and responsibilities which can and must be regulated. Most gun owners would acknowledge this. The argument then becomes one of degree.

It is fair to say that gun owners and gun control advocates can agree on some of the desired results: reduced crime, reduced accidental death, and reduced suicide. The passionate disagree-

ment seems to stem from the methods being used to achieve the desired results.

Police across the country have been crying out for tough gun controls to help fight crime and protect the lives of their fellow officers. Victims of crime, health professionals, mayors from across Canada and many other groups have demanded tougher gun controls.

An average of 1,400 Canadians die each year in gun related murders, suicides and accidents. Many others are seriously injured. Of the 732 homicides committed in Canada in 1992, 34 per cent or 246 people were killed in accidents committed with a firearm. Suicides account for 77 per cent of the 1,119 firearms deaths in Canada in 1991. A recent survey showed that guns were used in 40 per cent of murders of women by their spouses. Many deaths are by depressed youth acting impulsively with a weapon easily had and in their home.

How can anyone ignore this situation? How can any government ignore this situation? In many of the cases, impulsiveness was a factor. Ready access to a firearm allowed a dispute to escalate to a murder, or a depression to a suicide. In some of these cases, firearms presented a permanent solution to a temporary problem. Many of these lives would have been saved if the gun had not been readily available.

There are few who disagree with three of the principal aspects of the gun control legislation: criminal sanctions, smuggling or illegal importation, and assault weapons.

The most controversial aspect of this gun control issue is unquestionably a new computerized national registration system for all firearms and firearms owners in Canada. The government asserts that universal registration of firearms is a cornerstone of our strategy to target criminals, tighten border controls and enhance public safety.

Opponents of gun control argue that registration will not reduce crime. I ascribe to the opinion of the president of the Association of Chiefs of Police who states that without information about who owns guns, there is no effective gun control. A cost effective registration system will help control smuggling, gun theft and misuse of firearms in many important ways, some of which are as follows.

The illegal gun trade is a serious problem. Presently, firearms are not registered when they are imported into the country. The type numbers and serial number of each gun are not recorded. A recent newspaper article underlined the fact that guns imported legally can be sold illegally. Unless illegal firearms can be distinguished from legal registered firearms, it is impossible to curb the smuggling problem. Registration will help stem the theft, diversion and smuggling of firearms from legal shipments.

Registration will also help in the enforcement of court ordered firearms prohibition orders. It is estimated that 13,000 prohibition orders are made every year to take away firearms from individuals considered a danger to society. Unless the police know what firearms are registered in the names of those persons, they are limited to searching the premises, or to hoping that all firearms will be surrendered voluntarily. This is not sufficient.

The inquest into the suicide of Jonathon Yeo, who is believed to have murdered Nina de Villiers while out on bail for another violent offence, recommended the registration of firearms.

When the police prepare to intervene in a dispute, a registration system will determine if firearms are present, the type and numbers. Inspector Park whom I may quote from the Niagara Regional Police in my riding of Erie said: "The more information about what you are facing, the better you can deal with it".

While police officers always presume that a suspect is armed, they often discover more than they bargained for. In one example given by police, what looked like a .22 calibre rifle turned out instead to be a more lethal Lee–Enfield. The firearm was loaded with military ammunition that was capable of penetrating the bulletproof vest of a police officer.

● (1545)

Firearms registration will ensure that people are held responsible for their guns. The current firearms acquisition certificate allows individuals to buy as many rifles and shotguns as they wish over a five–year period and these guns cannot be tracked to the original owner. Registration will help ensure that gun owners do not sell their firearms illegally or give them to individuals without proper authorization.

Registration will also encourage the safe storage of guns. Canadians have heard enough accounts involving children and guns to know that some gun owners should take more care in storing their weapons. More than 3,000 firearms are reported stolen every year. They are falling into the hands of criminals.

Studies have shown that many firearms used to commit crimes were originally acquired lawfully, in many cases stolen from their original owners because they were stored improperly. The semi–automatic pistol that was used to kill Constable Todd Bayliss was stolen from a widow who had inherited the second world war relic when her husband died. The gun was left lying on the shelf in her clothes closet as it had for years. The gun was stolen and Constable Bayliss is dead.

Registration will further assist the police in high risk situations. Despite the emphasis on the criminal element, most murders involve people who know each other. Almost 40 per cent of women killed by their husbands are shot mostly with legally owned firearms. Spousal violence generally surfaces

gradually and the police are often aware of the problem before a life is threatened. Gun registration will allow for preventive actions such as temporary removal of the firearm from the premises.

Registration will also help in the enforcement of the law in prosecution of offenders. One can appreciate that it is difficult to prosecute someone for possession of a stolen weapon if the identity of the lawful owner cannot be ascertained.

Gun owners feel that registration of every shotgun and rifle would place a heavy and expensive bureaucratic burden on law–abiding gun owners. In fact the registration system is hardly onerous. The proposed registration system for firearms will replace existing FACs and other permits with new possession certificates and registration cards. It will simplify the system.

The registration system has two components. A possession certificate will begin in 1996 to register the gun owner and to acquire new firearms in the future. The registration card will begin in 1998 to register individual firearms. Possession certificates will be similar to drivers' licences, are valid for five years and can be renewed simply by filling out a form. Registration cards for firearms are a once in a lifetime exercise with no renewal required.

For example, someone already owning long guns will only have to register their firearms once for as long as they own them. The process is expected to have a minimal charge estimated at approximately $10 for up to 10 guns. It will be as simple as licking a stamp and mailing a form. A registration card or possession certificate will enable people to buy ammunition and hunt or target shoot the same way they have been doing for years.

The costs of registration to the gun owner are as comparable or less than that of other registration systems we are involved with such as cars, boats, drivers' licences, et cetera. On balance there are some who will consider registration a hassle, but it is a minor one when set against the benefits referred to earlier.

There are no further restrictions on ammunition save and except that one must be 18 years old to purchase ammunition and it must be stored properly. Restricting ammunition sales to those 18 and over makes sense. Young people under 18 cannot legally buy cigarettes now. Why should bullets be any less restricted? It will ensure that if a youth wants ammunition at least an adult will be in the know and able to ask questions or provide supervision if it is deemed necessary.

Gun owners make a good point that the vast majority of them are responsible law–abiding citizens. This is true. Although the gun laws may make small time criminals think twice, gun registration will not deter professional criminals or drug dealers. This is also true. Unfortunately there cannot be one law for the crooks and another for honest citizens. There must be one law applicable to everyone.

Some opponents to gun control feel it is a threat to democracy, an infringement of their right to bear arms, a right I suggest they never truly had in the sense in which it is uttered. Despite popular belief it is a right American citizens do not have with their constitution granting only the right to bear arms for the purpose of army and militia.

Canadians have a country founded on the principles of peace, order and good government. Gun control fits this expression. There is nothing undemocratic about ensuring that ours is a safe and peaceful country.

Registering guns does not remove the right to exercise one's privilege to own or use them, but it does make it easier to ensure they are owned and used responsibly. It does make it easier to remove the privilege when it is abused.

Opponents often tell me that responsible gun owners are being penalized when criminals are not. All gun owners are responsible until they do something wrong. Marc Lépine had no criminal involvement until he massacred 14 women at Montreal's l'École Polytechnique with his Ruger Mini–14.

Moreover it is difficult to imagine how a responsible gun owner could object to a law designed to ensure that others are also responsible. What do Canadians think of responsible gun owners who are now vowing to ignore the law and refuse to register? Is that responsible? Is that law abiding? Hefty fine for such action is a poor alternative to the small gun registration fee.

• (1550)

Suggestions that gun registration is a prelude to confiscation by a Hitlerain government are unfounded. There is no evidence to support fears that someday somewhere the federal government will seize all firearms.

If the gun lobby would look at the legislation objectively and responsibly it too would support the bill. I encourage it to do so.

Mr. Ed Harper (Simcoe Centre, Ref.): Madam Speaker, it is my pleasure to rise in the House today to speak to the motion of my Reform colleague to split Bill C–68 into two logical and rational bills that separately cover the two different topics included in Bill C–68.

It may well be that tough action on the criminal element will eliminate the extremely costly, not to mention intrusive and unproven registration aspect.

It is obvious to all in the House that the crime control measures included in Bill C–68 are long overdue. Canadians have been calling on the government to get tough on smuggling for a year and a half now. The stiffer sentences prescribed in the bill will act as a deterrent to those who consider smuggling an

occupation, but only if the government actually starts enforcing the law everywhere along our borders.

The mandatory minimum sentencing requirements are also crime control measures that Canadians have been demanding for a long time. They have repeatedly asked the government to crack down on violent offenders. Unfortunately the provision will directly affect only a small portion of weapons related crimes.

According to the Centre for Justice Statistics over 94 per cent of victims killed or injured in a robbery were harmed by weapons other than firearms. The minimum sentencing provision should be extended to the use of any weapon in the commission of an offence.

On the other hand the bill contains measures that will force citizens to register all their firearms. This issue must be considered separately from the crime control measures in Bill C–68. Gun control is not related to crime control and has no place in crime control legislation.

The justice minister may believe that future restrictions on law–abiding gun owners will somehow reduce crime. However he has completely failed to explain to the House what crimes will be reduced and how gun registry will accomplish it. All available research indicates exactly the opposite. Tighter restrictions on law–abiding citizens will only encourage the criminal element. After all, criminals will not register their guns.

The Auditor General pointed out that the current gun registration system has never been properly evaluated. Why would the justice minister forge ahead with his expanded registration system plans when we do not even know what good the current system is?

How many crimes has the current system prevented? What use has the current system been? Until these questions have been responsibly answered there is absolutely no reason we should consider spending more money on gun control. No one would be against additional gun controls if they could be proven cost effective in their ability to save lives and reduce crime.

The minister has made a great many inconsistent statements in the debate over registration, confusing not only the public affected but even members of his own caucus.

We hear the statement that people register their cars so why should they not register their guns. Does this seem like a reasonable comparison? I think not. We do not ask people to prove they need a car to get a licence. We do not introduce policies to grandfather the ownership of automobiles or ban the sale of replica cars. Unlike an applicant for an hour–long driving test, a firearm owner must go through a three–month safety process including an extensive police background check. There is no comparison.

As we know the licensing of cars is mainly a revenue gathering tactic. It does little to prevent 100,000 car thefts annually or over 3,000 traffic deaths. Gun registration will do nothing to prevent theft or death either. It is another bureaucracy creating, tax collecting excuse for the state to intrude further into the lives of private Canadians. If the justice minister thinks otherwise then let us see the evidence he has to back up his claims that registration will save lives.

A second inconsistency is found in the sentencing provisions of the bill. The crime control provisions call for mandatory four–year sentences for certain violent crimes. Reformers support the measure. However the bill will make failure to comply with the registration requirements a criminal offence with sentences of up to 10 years in prison.

• (1555)

Given these facts it is conceivable that a rapist who used a gun could receive a four–year sentence, while on the other hand a farmer who has an old shotgun out in the barn which is used occasionally for pest control may find himself serving ten years for failing to register a little used farm implement. The state has no business in the bedrooms of the nation. I suggest the government has no business in the barnyards of the nation either.

The minister's proposal for registration was followed by many statements about how the rates of suicide and accidental death will fall. The justice minister thinks he knows what is best for us. He even said he was doing this regardless of what others thought because it was right.

It is my duty to point out to the minister that Canadians who fear the dangers of firearms have always had a choice. Each Canadian already has it within his or her own power not to own firearms, not to keep them at home, and never have anything to do with them if he or she so choose. However, for those Canadian homes, about half of them, where citizens feel comfortable with their guns, their kitchen knives, their cleaning solvents and many other dangerous items they may have around, why does the justice minister think he should dictate what Canadians may have or do? It is time for governments to have more faith in the common sense of the common people.

Another key indication that the gun registration section of the bill is a poorly thought out Liberal attempt at problem solving is its obvious intrusion into areas of provincial jurisdiction. Here again we find a reason for the bill to be split. The crime control measures are clearly Criminal Code issues that must be dealt with by the federal government. The gun control measures intrude deeply into provincial jurisdiction in the areas of property rights, taxation and education.

It seems as though the Liberals have not learned their lesson yet. It was just last month that they started to cut federal spending for provincial social programs they had no business

being in. Now a whole new social program, gun registration, is being introduced in another area of provincial jurisdiction.

Under our Constitution the provinces are guaranteed the right to deal with property issues. Guns, cars, houses, land and money are all examples of private property. This is one reason the federal government is not in the business of registering automobiles. It has not right to. It should not assume it has any right to register any of the other private properties of Canadians either.

The second area of intrusion is in education. Currently firearms training courses are run by the provinces. The new legislation forces a federally designed course on all provinces. It is yet another example of federal intrusion in an area of provincial constitutional jurisdiction.

Because enforcement of any of the registration provisions will have to be investigated and prosecuted by the provinces, the administrative costs of the legislation will have to be borne by the provinces.

In closing, why not first place the emphasis on the criminal use of firearms? Once the get tough policy on smuggling and the violent use of firearms has been employed, the need to spend hundreds of thousands of taxpayers dollars and harass law–abiding gun owners may well be eliminated. Why not give it a chance? I would encourage all members to do so.

Mr. Ovid L. Jackson (Bruce—Grey, Lib.): Madam Speaker, I am pleased to take the opportunity to comment on Bill C–68 respecting the Firearms Act on behalf of the constituents of Bruce—Grey.

Bruce—Grey is one of Canada's most blessed ridings with an abundance of clean air, pure water and excellent people. It is located in the beautiful Bruce Peninsula in southwestern Ontario. My riding has one of Canada's first underwater national parks.

The traditions of the people are very strong. I also have two native reserves in my riding, Saugeen and Cape Croker. I am pleased that the minister is going to take into account the traditional way of life of the native community.

Hunting still plays a very important economic role in my region for the service industries, outfitters and guides. Tourism is a major industry in my riding. Almost every farmer and many rural residents own firearms, not only for hunting or sport but also for the protection of their livestock from predators.

I have held several meetings with organizations in my riding such as hunting and shooting clubs and numerous meetings with individuals regarding Bill C–68. The greater majority of my constituents applaud the minister and support the call for stiffer penalties for the use of firearms in the commission of crime and for stiffer penalties for illegally importing and trafficking in firearms, as well as stricter border controls on firearms.

• (1600)

My constituents have two major concerns, the first dealing with the prohibition of the 105 millimetre or 4.14 inch barrel length handgun. I am pleased the minister has requested the Standing Committee on Justice and Legal Affairs determine which handguns in the prohibited class can be exempted due to their use in recognized shooting competitions. I feel the standing committee can resolve the issue and make recommendations to accommodate the legitimate user.

The other major concern of my constituents is the universal registration system for legal hunting rifles and shotguns. In all my meetings and discussions this portion of Bill C–68 elicits the most serious concerns and the strongest objection. Many of my constituents believe this system will make criminals out of innocent law–abiding citizens who do not register their legal rifles or shotguns or who are unable to do so.

These citizens are responsible, respectful people who enjoy hunting as a sport. They value their rifles and shotguns and take great care to secure them. As I said earlier, most of the rural residents do have a rifle or a shotgun. It is a necessity and legitimate tool of their everyday working and recreational lives. They are law–abiding citizens.

I do not wish to reiterate everything previous speakers said on this portion of the bill except to say that I feel the bill can be improved by removing from the Criminal Code the penalties under section 91 for non–registration. My constituents prefer that we have no registration of rifles and shotguns. That would be my preference also. However, if the standing committee determines registration is a necessity I hope it recommends the penalty for non–registration be removed from the Criminal Code under section 91.

This simple amendment would take nothing away from the strength of the bill. It would ensure that law–abiding Canadians are not recorded as having a criminal record due to an omission or oversight. This amendment would dispel much of the concern of my constituents.

An umbrella groups representing hunting and shooting clubs has requested an opportunity to appear before the standing committee. It will be bringing forward its positions. It is important that our legislation will achieve the goals for which it is intended, to make our communities and streets safe for our families and for all Canadians. There are many positive sections in Bill C–68 that will accomplish this.

I ask that the standing committee take into account my comments particularly about removing from the Criminal Code penalties in section 91 for non–registration.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Madam Speaker, there are some aspects of Bill C–68 which have some potential for support, although not many.

The main unsupportable area is registration of rifles and shotguns. There are a number of reasons this is absolutely unsupportable. The previous member spoke of the possibility of the standing committee determining the need for this. The citizens of Canada determine these needs.

One of the objections to registration is the cost versus the alleged benefits. The cost is reported by the Minister of Justice as being in the neighbourhood of $85 million. I am polling my constituents on this and in order not to be misleading I am using that figure. That figure is a fabrication by the Minister of Justice and the Justice Department. The reality is it will cost not less—this is done through different methods—than $500 million. The cost could run as high as $1 billion or beyond.

The rationale for this is if we take the current known cost of registering a handgun and apply it to the low number the Minister of Justice estimates for rifles and shotguns, it comes to almost half a million dollars. There are probably far more firearms out there than the minister is letting on.

• (1605)

Another issue raised by many owners of firearms, sports enthusiasts and competitive shooters is future confiscation. The minute this is raised we start getting the minister and many of the members opposite suggesting it is paranoia on the part of firearms owners.

It is not paranoia if there is justification for it based on past practice. There is past practice. Bill C–17 introduced by the previous government took away many firearms that law–abiding citizens purchased legally and essentially said. That government said: "Sorry, we changed our mind. Those are now illegal. Turn them over. No compensation".

This proposed bill also bans certain firearms legally purchased by Canadians and the Liberals are saying: "Sorry, we changed our mind". There is validity in the fears these people have. In the future we could be faced with confiscation of all semi–automatic rifles and shotguns. There are things like the Beretta 12–gauge, very expensive, very popular for skeet and trap shooting. There are semi–automatic hunting rifles. They are very legitimate firearms, functionally identical to many of the firearms banned. Then we could be looking at high calibre rifles as well with the rationale that a 30.06 is good enough, one does not need anything else.

Then we have the security risk aspect. We have already had cases in which criminals have been able to get into RCMP computer files and find out who has weapons and where they keep them. The last thing people who own firearms want to do is provide a more complete list for criminals to access.

Then we have the proposed banning under the current legislation of .25 and .32 calibre firearms and those with barrel lengths under 4.14 inches. At least we have the minister's new version of banning.

This suggests these calibres were innocuous to start with and should never have been banned. First he was going to ban them and grandfather them. One could not use them. One could not sell them or trade them. Then he backed down and said: "These weapons are okay. You can use them. You can sell them to somebody who already has a firearm in that category. You can take them to the range. You can do everything with them you did before". If that is true, why is there the ban in the first place? There is a lot out there to make people suspicious.

What we are doing with this legislation is making criminals of law–abiding citizens. We are bringing out new regulations harder to comply with and then we are saying: "If you break these regulations, you will be a criminal". What about the real criminals?

We should be looking at the areas of the bill that can perhaps be strengthened to really mean something. That is why we are suggesting the splitting of the bill, so we can work with the things that have some potential of doing some good in society.

The registration of rifles and shotguns is not going to prevent one single criminal misuse of a firearm. Crooks do not rob banks with 30.06 hunting rifles. As far as any question of an argument or a fight that breaks out at a party or whatever, the victim will feel very comfortable knowing they were shot with a registered rifle instead of an unregistered one. That argument does not carry.

We need to look at penalties for those who criminally misuse firearms. We are talking about sentencing, the length of the sentence, the concept of plea bargaining and consecutive sentences.

The current legislation proposed does not have any teeth in it because it matters not what kind of sentence comes out if most of those are plea bargained away and also if they are served concurrently with the other main sentence. There is absolutely no teeth to that.

We need lengthy sentences for criminal misuse of firearms, for using a firearm in the commission of a crime. We need to remove the possibility of plea bargaining from sentences and they need to be served consecutively, not concurrently. We also need to deal with smuggling strongly. We need to make strong examples of people who smuggle firearms or people who use firearms for any criminal activity.

• (1610)

The bottom line is this legislation should deal with the criminal misuse of firearms, not the use by legitimate, law–abiding citizens. Let us not make them criminals as well.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, it is a privilege today to speak on Bill C–68. One of the goals of any civic minded parliamentarian and law maker is to produce laws and regulations which make our country a safer place while respecting the rights and privileges of its citizenship to engage in peaceful, law–abiding activity.

Never would we in this party uphold the right of anyone to engage in activities which would cause harm to innocent civilians. That is why we fully support bills which address criminal behaviour and activity. Bill C–68 deals with part III of the Criminal Code, often referred to as gun control laws.

One can see when looking at this bill that there are two distinct parts to it, one that will almost universally be applauded by people in the House, the other that will be very divisive and by and large by the majority of people in our caucus will be opposed. It will be opposed for very clear thinking, logical and civic minded reasons.

Let us ask ourselves some fundamental questions. Are all guns and their uses criminal? The answer is no. Therefore it is up to us to figure out and deal with what is criminal and what is not.

God bless us in Canada that we do not have the gun culture of the United States. Our culture is personified by tough gun control laws that force people who wish to acquire a firearm to jump through some very complicated and multiple hoops in order to acquire a firearms acquisition certificate. These hoops include waiting periods, personal checks, taking a course and strict storage requirements to which there is absolutely no parallel in the United States. That is just to get a rifle.

If a person wishes to acquire a handgun, the rules are even more stringent. They require a trigger lock for the handgun and they force the person to be a member of a gun club; rules and regulations we heartily support.

It is a delusion that we can acquire a weapon, stick it underneath our pillow and use it whenever we wish. Perhaps that is what occurs south of the border, but thankfully it does not occur here. Our situation bears absolutely no resemblance to that of the United States. The failure to pass half of this bill will never remotely bring us close in any way, shape or form to what occurs south of the border.

Furthermore, there is absolutely no desire whatsoever, especially among legitimate gun owners, to be anything like the United States where guns of all kinds are widely available to anyone who wishes to possess one. This is an environment I abhor as does as any other law–abiding citizen. The responsible environment in Canada is the one that legitimate gun owners happily find themselves in.

Let us look at the criminal use of firearms which should really be the end point of any thoughtful gun control regulations. Between 1961 and 1990, 63 per cent of all homicides were committed by an object other than a firearm. The object of choice was a knife. Illegal handguns, which would not be addressed by the registration aspect of this bill, were responsible for 13 per cent of the homicides. Legally owned handguns were used in less than 1 per cent of the cases. Last year, of the 720–odd homicides in Canada, five were committed with illegally owned handguns.

Criminals using firearms to commit offences are not legal gun owners but rather those who acquire firearms through different measures.

• (1615)

Criminals do not go to the police department and say: "Constable, I have this illegal weapon that I would like to register", or "I would like to acquire a firearms acquisition certificate". These people cannot get an FAC through the current regulations. Rather they get their weapons illegally through smuggling across the border from the United States or from those people who have acquired guns in that manner.

Therefore, the Reform Party supports completely the justice minister's endeavours to increase penalties for smuggling, theft and for using a firearm in committing a criminal offence with a four–year minimum sentence.

As an aside, I would strongly recommend to the Minister of Justice that with this sentence goes certain stipulations. First, that there be no plea bargaining whatsoever. Second, that parole be not applied to this aspect of sentencing and that the sentences run consecutively not concurrently.

If the government does this, it will send a strong message to those individuals who are committing offences with firearms. Currently most weapon offences are plea bargained away in order to get an expeditious conviction on another offence, such as a break and enter, which ensures that there is virtually no penalty whatsoever to the criminal who chooses to maliciously pick up a firearm and commit an offence. He or she knows no effective penalty is going to be applied to them. Thus, we completely support direct measures to address the criminal use of firearms.

We do not support punitive actions taken against legal gun owners. These individuals jump through hoops to get firearms acquisition certificates, take courses, join clubs, et cetera, and have proven not to be the element in our society that commits criminal offences. As I have proven before, these are not the individuals who do this.

Some people have said that having a firearms acquisition certificate, increasing the penalties that we already have and having gun registration in particular, is somehow going to decrease the rate of suicide. The fact of the matter is that between the time that strict gun control measures were brought in to the time before that, the rate of suicide per capita has not changed. Furthermore, the number of individuals who use firearms in committing an offence has not changed at all.

Another aspect that is very fundamental to this case and perhaps one of the most potent reasons why not to vote in favour of gun registration is the cost. People have not given this enough thought. The cost is anywhere between $80 million and $500 million, as has been claimed, and will be passed on to the consumer to some extent. However, not all of it will. That leaves the ultimate payer in all of this, the taxpayer, who is already taxed to death.

This means that money is going to be pulled away from other functional aspects of the justice department. I cannot emphasize this enough. We are going to be taking money away from police officers which should have gone for training and equipment. Police officers are already hamstrung because of lack of finances in part. Think about it. The government is cutting the effective arm of our justice system, the arm that protects us, to do what? To invest in something that has proven not to work.

We are going to see fewer arrests for those committing offences such as rape, murder, attempted murder, assault and break and enter. All of this is going to decrease the power of the police forces to deal with this. Is this an effective use of the taxpayers' money? I think not.

We will not support any measure that has proven not to decrease the rate of crime, as has been proven in Australia. It enacted gun registration and it has proven to be a failure. The police forces there are asking the politicians to revoke it.

Furthermore, contrary to what is being said here by members of the government, these measures are not supported by the rank and file police officers. That is very important to recognize. Of all people, those who are in the field should know best.

In closing, we support the bill. We support that it will be divided into two sections. The part that we support is the effective measures to reduce crime. The part that we do not support is the aspect of gun registration and the punitive actions against law–abiding gun owners.

• (1620)

Mr. John Duncan (North Island—Powell River, Ref.): Madam Speaker, it is a pleasure to participate in debate on a Reform amendment to split Bill C–68 and thus bring the real issue of safety and security of Canadians into focus.

The amendment presents the Minister of Justice with a real opportunity to protect Canadians and prosecute and punish those who break the law.

As the bill is currently structured, the legitimate issues concerning firearms control are clouded and confused. This obfuscation was no doubt conceived, cultivated and foisted on the minister by select individuals of the Coalition for Gun Control and some stealthy, arrogant, policy counsels within justice. Like a rock these beacons of virtue and public service are telling Canadians what is good for them. If these same people are so concerned for the welfare and safety of Canadians and fairness in laws, then any rational thinking bureaucrat would have seen this major deficiency in handiwork.

Anyone can see that splitting the bill will focus the wrath where it should be, at those individuals who use firearms in the commission of crimes and who continue to make our streets unsafe for law–abiding citizens.

As Bill C–68 is currently constituted we are being asked to deal with two separate issues. Let us try to remove some of the emotion from the debate. Let us deal with the issues in chewable chunks. If the minister believes so firmly in firearms registration, then let him stand up and debate his notion of fairness. If he is so concerned with criminal justice let him stand up and debate his notion of fairness. Let the issues stand on their own merits and not on stealth.

Recently the Minister of Justice during a speech in Montreal was quoted as saying: "More than anything else Bill C–68 is about the kind of country we want to live in, the kind of society we want as Canadians". He went on: "We are willing to have it out right now. Let's decide who is running this country. There's no room for an American style gun lobby in this country".

I want to tell the justice minister that Canadians run the country and there is room in this nation for all kinds of people representing many points of view. Comments about gun control like the ones he made in Montreal are intolerant. Debate is dissent according to the minister. What is he afraid of? If he really wants, as he said, to have it out, then level the playing field. If he feels he has such support, deal with the legislation in Bill C–68 upfront, each issue at a time without the rhetoric.

Let us take a look at some of the statistics and at the real issue. Last year roughly 3,800 firearms were either lost or stolen by those who lawfully own them in Canada. Some of these would have been from police and from the military. During that same period 375,000 firearms were smuggled into Canada. That is one hundred times as many.

The onus and emphasis of the minister's legislation is registration which impacts on lawful citizens. Why does he not beef up security at our borders and crack down on the gun smugglers and runners?

The minister says he wants to take this issue on. He thinks establishing a national registry at likely cost estimates upwards of $500 million to implement is taking the issue on. Tying up police resources in software programs and registration verification is really getting tough on crime. The criminals are shaking in their boots. One does not have to go two miles from Parliament Hill as recently as last Thursday when three parolees shot it out with police, wounding two officers because of better fire power. I am sure those three, who will be out on release shortly because of our revolving door justice system, will be the first to run out and register their illegal guns. If anyone is playing politics with emotions, it is not the Reform Party on this issue.

• (1625)

The minister conveniently uses the Canadian Association of Police Chiefs to make and carry his message on gun control. This is the same organization that receives federal funding and which has never done any polling of its members. How weak.

I can make a case for the other side based on my conversations with real police officers who are fighting crime. It is backed up by letters and calls. I even received one petition from Sault Ste. Marie with 5,000 signatures, demanding that their point of view be heard. These are responsible, law–abiding citizens who may not meet the minister's social standards and are thus dismissed as not worthy of a point of view.

The whole issue of registration is a red herring in my books. New Zealand has had universal registration and is abandoning it with the blessing of the police because it is time consuming, expensive and is not accomplishing anything.

Australia is considering abandoning its universal registration with the blessing of police. Police in Australia estimate that only one firearm in four is registered due to non–compliance. Criminals for sure do not register their firearms. For heaven's sake, they do not even register their cars.

The shootout in west end Ottawa last Thursday night involved a stolen getaway vehicle. The answer to all this is Bill C–68, an issue the minister says he wants to take on.

A national firearms registry does not meet the views of the majority of Canadians who are seeking less government, less intrusion into their lives, and reducing the cost of government.

The legislation and the minister's bill will impose a 10–year jail term for failure to register firearms and includes the right to search and seize without a warrant. This is the minister's view of how Canadian should be governed, by a police state. After everything is said and done, the criminals will be running the justice system.

Bill C–68 is a complicated, convoluted attempt to shift the focus of the real debate. If it is left in its current form we will fail to tackle the real issue, which of course is crime control. This is bad law. The justice department argues that registration will make gun owners more accountable.

As a firearms owner, I already store my firearms according to the rules, as do the majority of gun owners. I can tell the minister that no registration system will force gun smugglers, gun runners and criminals to be more accountable. It is misguided and focused on the wrong premise.

This is the easy thing to do and the way one would expect a bureaucrat to deal with an issue. In their perfect, self–contained world, any gun owner is a criminal. We are all lumped in the same category. It is convenient, easy but dead wrong. This is bad law.

I therefore support the motion to split Bill C–68 and get down to the business of solving crime.

Mr. Dale Johnston (Wetaskiwin, Ref.): Madam Speaker, I want to begin by congratulating my colleague for Yorkton—Melville for introducing this amendment.

The universal registration of firearms is one of the most controversial and ineffective sections of Bill C–68. The amendment separates gun control from crime control. It allows the crime control portions of the bill to be dealt with separately and expeditiously.

For the last year members of the Reform Party have been telling the government that Canada has a crime problem, not a gun problem. It is a difference it has so far refused to recognize. The government persevered and introduced Bill C–68 which is seriously flawed.

• (1630)

The minister claims his intention is to crack down on the criminal use of firearms. Certainly that is an area I would support him in. In fact, all he has done so far is to take aim at the easiest available target: the legitimate owners of guns. He really means that gun control lies at the heart of the Liberal Party's effort to derail the nationwide surge in interest in tougher and more effective criminal justice.

Public safety must be the overriding goal of any government. Punishment of crime should come before all other objectives. The Reform Party believes the target should be the criminal use of firearms, not the law–abiding gun owners.

Passage of this amendment would allow Parliament to get on with dealing with the crime problem. There is no connection between the legitimate gun owner who owns a firearm for hunting, target shooting, or for the protection of his family or his animals from preying wildlife and the criminal who obtains a firearm illegally for the purpose of committing a crime. There is no correlation between the two at all.

As my friend pointed out, last Thursday in Ottawa a few miles west of this Chamber there was an armed robbery. Not only were two of the participants in this botched hold–up on parole, but they also had a history of armed robbery convictions. That is what they had been jailed for on their last convictions. One of them was even prohibited from owning a firearm for life.

How would gun registration have made any difference whatsoever in this case? Would it have saved the two Ottawa police officers from the gunshot wounds they suffered? Not likely. Let us face facts here. No amount of gun control regulation would have stopped this trio from obtaining the guns they needed to carry out their robbery or any other robbery they might plan.

The real problem here is the criminal misuse of firearms. Those convicted must be severely punished. The separation of this bill into two parts would accomplish that goal.

More crimes are committed in this country with knives than guns, but no one is suggesting we register our kitchen knives, at least not yet. This government is more interested in proceeding with the mandatory registration of firearms than it is with solving our crime problem. Mandatory gun registration is not just a tax on law–abiding gun owners, but one that will cost all Canadians millions of dollars to implement.

The minister's supporters, the anti–gun lobbyists, claim that firearms registration is justified because we register our cars and our dogs. The truth is that these registrations exist primarily as a form of taxation.

The Minister of Justice estimates universal registration will cost $85 million. If you will pardon the expression, I think that is a rather conservative estimate. Experts at Simon Fraser University put the cost somewhere between $400 million and $500 million.

Here we have a Liberal government using parliamentary time to debate gun control when we will be paying some $50 billion in interest this year. This government has its priorities completely mixed up. So much for an assault on the deficit. This is merely another assault on the wallets of Canadian taxpayers.

In addition, mandatory registration will turn police officers into bureaucrats. The Minister of Finance announced in the February budget that thousands of public service jobs will be eliminated and he is going to shrink the bureaucracy. Someone should tell the Minister of Finance that his colleague, the Minister of Justice, is creating a whole new bureaucracy. Once the minister turns police officers into bureaucrats, they will be so bogged down with paperwork and chasing otherwise legitimate gun owners that they will not have time for regular law enforcement duties.

We have asked the minister repeatedly for evidence proving that a national gun registry will save lives. So far he has been unable to give us that information and has been successfully ducking the issue. We know the reason he cannot give those. He simply cannot. He does not have a shred of evidence to provide to us.

• (1635)

The Minister of Justice has taken on gun control purely as a personal crusade. Somehow he has managed to confuse crime control with gun control. Now legitimate gun owners are afraid that this minister is so blinded by his personal agenda that he will stop at nothing until he reaches his ultimate goal: the complete confiscation of all firearms in Canada, maybe with the exception of law authorities and military. We have heard this minister and other members of the government state that they would like to see a society in which only police officers and the military have weapons. The only way that can come about is through confiscation.

The minister hopes that by making firearms ownership so complicated and expensive that Canadians will give them up. More than likely, it will put more guns into the underground market, not less and ultimately, more guns into the hands of criminals.

The Minister of Justice hopes that all this attention on gun control will divert attention away from the roots of our crime problem. After all, the Liberal Party policy on crime is that it somehow is society's fault. He often drags out polls to support his stand.

If he is really interested in the polls and what people think, he should look at the Simon Fraser University opinion survey. It showed that Canadians knew little about gun control laws and that their support for firearms registration weakened as they became more knowledgeable about this issue.

The reason people voice support for gun control when questioned by pollsters is that they think or hope that registration of firearms will somehow improve public safety and reduce violence. Most Canadians do not know that handgun registration has been in effect in Canada since 1934, 61 years. There is no record to show that a single crime has been prevented as a result of this registration.

Most Canadians do not know that experiments in firearms registration were expensive failures in Australia and New Zealand. As my friend has pointed out, they are now being given up in those countries.

Most Canadians do not know that in 1993 the auditor general reported to Parliament that the previous government had no statistical basis for implementing the last round of gun control regulations.

Most Canadians are unaware of the findings of project gun runner which was undertaken by the Ontario government. Project gun runner found that 86 per cent of all handguns used in the commission of crimes were smuggled into Canada. Does the minister really believe that the new owners of these smuggled

weapons will register them? Surely, he is not that naive. I do not believe he is.

Reformers are not opposed to the government's plan to crack down on smuggling. That is why we believe the only solution is to split this bill so that crime control and gun control can be dealt with separately.

It is too bad the Minister of Justice cannot see that his determined efforts to reduce crime are so far off base. He started down this road and he is too proud to admit he is lost. He is afraid that if he turns back he will be seen as abandoning his principles.

The minister should thank his colleague from Yorkton—Melville for bringing forth this amendment. The member has done him a big favour. He has given the minister an avenue to save face. If he takes it, he can preserve his standing in the next leadership race.

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Madam Speaker, I am pleased to rise to speak in opposition to the amendment which has been tabled by the member for Yorkton—Melville and to speak strongly in support of the principle of Bill C–68.

This is one of the most important pieces of legislation to come before this House. In saying so, I want to take this opportunity to make very clear that this legislation is the product of the dedication, the commitment, the integrity and the energy of many men and women across this country.

I am proud of the history of my own party in speaking out for strong and effective gun control. One of my former colleagues in the House, Stuart Leggatt, the former member of Parliament for New Westminster—Burnaby, was one of those who originally participated in the debate on gun control legislation in 1976 and 1977. He spoke very eloquently about the importance of effective gun control.

• (1640)

I took the opportunity to review those debates and to look at some of the newspaper coverage of the debates at the time. It was eerily familiar. One headline was: "West up in arms over government's gun control proposals". In 1976, a group calling itself the Firearms and Responsible Ownership coalition distributed a commentary suggesting that the purpose of the government's bill was to ultimately stop any and all legitimate use of firearms in Canada. It went on to suggest that gun control legislation was a threat to sportsmen. That was in 1976 and we are hearing the same kind of unfounded allegations today.

It was my colleagues, Ian Waddell, the member of Parliament for Port Moody—Coquitlam, and Dawn Black, the member for New Westminster—Burnaby, who in the last Parliament spoke out very strongly for tough and effective gun control legislation. They called for a stronger Bill C–17, a strengthening of the bill that was brought in by Kim Campbell.

Our platform in the last federal election was unequivocal. It stated: "New Democrats have consistently argued for more effective gun control. We support the most recent legislation and have fought hard against efforts in the House of Commons to weaken it. We continue to promote an even stronger, more effective law. In particular, we want a national firearms registry system which would provide law enforcement agencies with a list of each firearm in circulation and its serial number. This would facilitate the tracking of all weapons stolen or used in crimes". I am pleased and honoured to stand in my place in the House of Commons today to reiterate that commitment to strong and effective gun control legislation.

I would also like to pay tribute to the Coalition for Gun Control. It has done such an outstanding job in helping to make Canadians aware of these issues. I particularly pay tribute to Wendy Cukier and Heidi Rathjen, the executive director.

[*Translation*]

Heidi Rathjen had the good fortunate to survive the massacre that left 14 dead at l'École Polytechnique on December 6, 1989. I would also like to pay tribute to Mrs. Suzanne Edward, whose daughter was among the victims of the December 6, 1989, massacre.

[*English*]

Finally, I would like to pay a special word of tribute to the member for Notre–Dame–de–Grâce who has so tirelessly advocated strong and effective gun control legislation over the years. I have seconded a number of private members' bills that he has tabled and he has seconded a number of mine.

It is not often that I take the opportunity to commend a minister of this government. I see the Minister of Justice in the House today and I know he has made a genuine effort to respond to the concerns of Canadians. He has travelled extensively across the country and has listened to hunters, gun collectors and others in all provinces and territories, including my own province of British Columbia. I want to take this opportunity to commend the minister for his efforts to genuinely understand, listen to and respond to legitimate concerns of those in the field of gun control and for the leadership he is demonstrating in moving forward on this very important legislation.

I listened with interest to the previous speaker from the Reform Party who asked the question: Where is the evidence to back up the call for registration? I have a very interesting quote from the first Reform Party member of Parliament to sit in the House of Commons. The member for Beaver River spoke in this House on November 6, 1991. What she said on the question of firearm registration was very interesting.

She said: "I would draw the member's attention to the Canadian Police Association and some of the recommendations they brought forward. They said that over 90 per cent of all respondents believe that guns of all kinds should be registered". The Reform Party member for Beaver River went on to say: "I agree with that and I think every Canadian would agree with that as well". Let me just say that I agree with the member for Beaver River when she spoke in November 1991. I can only ask why it is that her colleagues have not listened to the very thoughtful analysis of the member for Beaver River as well.

• (1645)

The previous speaker for the Reform Party asked where the evidence is. I will cite a statistic to the Reform Party member who asked the question and left the House. In Britain in 1993–94 there were a total of 55 firearms deaths. That is in a country with a population of 60 million. In Canada there were over 1,400 deaths caused by legally owned firearms.

What more do those who ask for evidence need? We will save lives. We will reduce the level of crime. That alone is grounds for rejecting this amendment and moving ahead on this very important legislation.

Recently the Canadian Association of Chiefs of Police issued a very comprehensive memorandum on the issue of registration because that is the issue. No one is questioning the importance of getting tougher on smuggling. No one is questioning the importance of tougher criminal sanctions. That is clear.

Some concerns have been raised about the potential impact of lengthy mandatory minimum sentences on prison populations and I share some of those concerns. The real issue and the purpose of the amendment is registration.

What do the chiefs of police have to say about registration? They say without information about who owns guns there is no effective gun control. Tracking guns that are imported into Canada and then sold is critical to controlling abuse. They point out registration will help promote safe storage which will reduce gun theft as well as suicides and accidents.

I have seen this in my own constituency. There was the case of a young man 18 years old who was at a party with a group of friends. He took out his father's gun and tragically was involved in a fatal shooting. A police officer from the Burnaby RCMP said it is a typical case of firearms not being secured the way they should and firearms not being handled the way they should, a life gone for nothing. How many other lives will we lose before we recognize this madness must come to an end?

I am proud that we do not have the American psychology of the right to bear arms. We do not have the pressures of the National Rifle Association intimidating elected representatives. We have seen powerful attempts to lobby.

One of the factors I am proud of that distinguishes Canada from the United States is we are prepared to say we do not believe in that culture of unrestricted gun ownership. This bill will help to preserve and to strengthen that commitment.

We will save lives with this bill. There is no doubt about that. Police, women's groups and others have made it very clear they want to see strong and effective registration. They want us to remove firearms from volatile situations. Those situations include circumstances in which there may be a suicide, in which there may be a homicide.

We want to make sure there are not undue costs of registration, that the system is not unduly burdensome. We want to put more resources into dealing with violence against women. The leader of my party has spoken out very eloquently on the importance of that.

We want to see more resources for enforcement at the border. The government is cutting back on public service. I am concerned that we not cut back on resources that will help us to fight smuggling. We want to do more in terms of prevention. I am deeply troubled by the cuts in the budget in social programs.

I am proud to stand in the House to oppose the amendment, to support the principle of this legislation. I believe in doing so that I am maintaining a long and honourable tradition of New Democrats who have spoken out for strong and effective gun control, for safer communities and for saving lives. I am very proud to continue in that tradition.

The Acting Speaker (Mrs. Maheu): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Burnaby—Kingsway—Royal Canadian Mounted Police; the hon. member for North Island—Powell River—Indian affairs.

Ms. Margaret Bridgman (Surrey North, Ref.): Madam Speaker, I rise today to speak to the motion proposed by my colleague from Yorkton—Melville. The intent and the effect of this motion are very clear, to split the bill into two parts. One part would contain the Criminal Code amendments dealing with the criminal use of firearms while the second would contain all the regulations governing the ownership of a firearm, including such things as storage, transportation requirements, training courses, minor permits, et cetera.

• (1650)

The bill as it stands addresses two facets of firearm possession. One facet is directed toward those who possess firearms legally and the other is directed toward those who possess firearms illegally.

The Minister of Justice through the bill is requiring all persons who legally possess a firearm to register their firearm and that this will reduce the number of persons who possess a firearm illegally. The first response to this is how will this approach achieve that?

Before pursuing that, let us look at the approach to solving the problem. The problem we have is the illegal possession of firearms and the misuse of these firearms. The approach of the bill is to impede or to put up barriers to the legal possession of firearms, which will supposedly reduce illegal possession of firearms; in other words, punish the law–abiding citizens to get at the law breakers.

Gun control measures aimed at reducing crime and the registration of firearms are two separate issues. If the purpose of Bill C–68 is to reduce crime, why does it include the registration of all firearms? Should it not be plainly demonstrated beforehand how registration prevents and reduces crime?

This is what Reform members have been asking the Minister of Justice and so far they have failed to get a clear, concise, satisfactory answer. Establishing how these two components are linked has not been forthcoming.

On February 16 the Minister of Justice opened the debate on Bill C–68 and spent much of his speech dealing with registration. One of the minister's arguments was to reduce the number of firearms smuggled into Canada. The minister stated we should reduce the number of firearms smuggled into the country. It is a laudable goal and one which the Reform Party supports. Then the minister went on to state this would be achieved through registration. He said the registration of all firearms will enable us to do a better job at the borders.

The minister added on February 16:

> We will never stop the smuggling of firearms entirely. There are 130 million border crossings a year. We cannot stop every vehicle and check every trunk and glove compartment. But we can do a better job than we have done in the past and registration will enable us to do it.

How does registering a gun allow them to work better at the border? If cars are not stopped in the first place, how will they know if the gun is there?

Perhaps members opposite will grasp why Reform members are so frustrated with the bill and the minister's rationale. We can divide the minister's arguments with regard to smuggling into three statements: one, the registration of firearms will enable us to do a better job at the borders; two, it is hard to stop the smuggling of firearms entirely because of the volume at border crossings; three, we can do a better job and registration will help us. It sounds like a circle to me.

That seems to be the argument on how registration will reduce smuggling. That argument utterly fails to answer the question of how the registration of firearms in Canada will reduce smuggling. I can see how more border inspections and more border guards will reduce smuggling, but I fail to see how registration will work in this regard. It is incumbent upon the minister and the government to provide clear answers to these genuine questions.

One reason firearm owners oppose registration is they see it as a step toward confiscation. While the Minister of Justice has tried to allay that concern, prominent colleagues in his own party seem to favour that view. In the debate on March 13 the Secretary of State for Multiculturalism and the Status of Women said the following:

> In 1987 the English writer Martin Amis wrote: "Bullets cannot be recalled. They cannot be uninvented. But they can be taken out of the gun".

● (1655)

The speaker went on to say: "I would add that the safest way is to take away the guns". This certainly sounds like confiscation to me.

I would like to comment on the politics of this issue and this bill. They have become very interesting because of the reaction of the Liberal and NDP caucuses. Members of the government who support the bill like portraying this as a right–left ideological debate or a debate between the people of Canada and the gun lobby.

The justice minister on February 16 said:

> We have an opportunity for Parliament to make a statement about the kind of Canada that we want for ourselves and for our children, about the efforts we are prepared to make to ensure the peaceful and civilized nation that we have and enjoy and to demonstrate just who is in control of firearms in Canada. Is it the gun lobby or is it the people of the country?

This type of talk is simply presumptuous.

At a town hall meeting I held in Surrey in March most people wanted to talk about the government's proposed gun legislation. They were overwhelmingly in favour of tougher criminal penalties for criminal misuse of firearms but they were opposed to the registration of their firearms, seeing it as expensive, intrusive and impractical. These people were not members of gun lobbies. They were individual citizens who are hunters, collectors or target shooters.

One person I remember quite well was a Delta police officer who talked at some length about how the proposed registration would be totally ineffective at reducing crime. Citizens such as these are the ones opposing the registration aspects of Bill C–68. The sooner this is realized by the government the better.

If opposition to the bill is just the gun lobby, why are members of the minister's own caucus having trouble with the legislation? Why are eight of the nine members of the New Democratic Party supposedly opposed to the legislation? To think that all of these members of the NDP and Liberal caucuses have been coerced by gun lobbyists is phenomenal.

The motion the member for Yorkton—Melville has introduced reads as follows:

> That all the words after the word "That" be deleted and the following substituted therefore:
>
> this House declines to give second reading to Bill C–68, an act respecting firearms and other weapons, because the principle of establishing a system for licensing and registration of all firearms and the principle of creating a variety of offences are two unrelated issues that should be addressed separately.

I would like to finish with the following quote that expresses my sentiments also:

> My constituents have been asking all along that the bill be divided into two parts: legislation that directly affects law-abiding gun owners and legislation that affects the criminal use of firearms.

That was a quote from the March 13 *Hansard*. The person who said those words was not another Reform member, nor was it some member of the nefarious gun lobby, but the Liberal member for Cochrane—Superior.

I read the motion that has been put forward. To that member and to other reasonable Liberals, the member for Yorkton—Melville has provided members with the opportunity—

The Acting Speaker (Mrs. Maheu): The hon. member for Kindersley—Lloydminster.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Madam Speaker, it is my privilege to speak to Bill C–68 and also to the amendment proposed by the hon. member for Yorkton—Melville.

I am pleased to join my Reform colleagues in calling for Bill C–68 to be split into two bills, one dealing with crime and the other with gun control. These two issues are both important but are not connected.

Crime control deals with the issue of public safety while gun control deals with the issues of red tape, bureaucratic burden, additional taxation and, from some extremists, Liberal social engineering.

• (1700)

There is no evidence anywhere to suggest criminal activity and legal gun ownership are connected. Many studies have been done that clearly demonstrate that no such link exists.

No doubt there is a real crime problem in Canada. The politicians know it. Canadian citizens know it. Everyone knows it. Naturally the government wants to be seen as doing something about it. We on the Reform benches would rather the government take real steps to deter crime than opt for the quick fix, look good attack on legal gun owners. It may create a lot of activity that gives the impression of real action, but it will have no real impact on the rates of crime and violent crime in Canada.

One study on the relationship between guns and crime was recently done by Professor Gary Mauser of Simon Fraser University. Professor Mauser's report entitled "Gun Control is not Crime Control" has been published by the Fraser Institute and contains some very interesting facts.

Professor Mauser looked at homicide rates in countries around the world and compared them with gun control laws to see if there was a correlation between the two. There was none. The professor pointed out that no government anywhere in the world could claim to have reduced crime through gun control. Firearms have been banned altogether in Jamaica, Hong Kong, New York City and Washington D.C. without leading to a decrease in homicide rates. Those places have some of the highest crime rates in the world.

To highlight some of his findings I think all members would be interested to know some of the comparisons found in the study. As Canada is a wealthy industrialized democracy, I will limit my comparison to other nations that fit roughly into the same category, namely the United States, France, Switzerland and Japan.

Both France and the U.S.A. have higher homicide rates than Canada. In the United States gun control is more relaxed than here, but in France it is somewhat more controlled. Switzerland has very liberal gun laws. Private gun ownership is encouraged. Not only is the homicide rate in Switzerland lower than in Canada, but it is also lower than in Japan where gun ownership is prohibited entirely. The murder rate is higher in a country that prohibits guns than in one that promotes their responsible use.

An even more telling comparison is the case in Great Britain. Faced with a growing crime rate in the 1980s the British government introduced extremely restrictive gun controls in 1988. In the five years that followed, the crime rate in Britain rose at precisely the same rate as before gun control laws were imposed.

There is a very important message for the government. I hope it is listening. Gun control will have no effect on the crime rate. According to Professor Mauser:

> The federal government's current proposals for stricter gun controls would, if introduced, not only fail to reduce crime but would vastly increase the size of the federal bureaucracy.

He went on to say that while legitimate gun owners pose no threat to society, "the violent offender poses a significant threat to public safety and greater efforts must be focused here. It is a truism that laws only apply to the law abiding".

How true it is that more gun control laws will only punish those responsible Canadians who are already following the current laws. The tragedy is that an otherwise good crime bill is being ruined by the inclusion of gun control measures that will not reduce violent crime, suicides or firearm accidents. If they did I would be the first to support them. All these measures will do is punish responsible gun owners and have a serious impact on the industry they support.

I want to talk about the economic impact of Bill C–68. The economic value of all hunting, target shooting and gun collecting in Canada is estimated to be $1.2 billion per year and growing. In my province of Saskatchewan the provincial government is currently engaged in a study of how much economic activity will disappear from the province if the legislation goes through without amendment. The province raises over $8 million annually from the sale of hunting and fishing licences. Some of the revenue will be lost or at least greatly reduced if owning and operating a firearm becomes too expensive or too bureaucratic to be worth it.

American hunting groups are already saying that many hunters will not come to Canada if the gun control is in place. The loss of tourism dollars will be devastating to many parts of Saskatchewan including the area of Kindersley in my constituency.

• (1705)

The hon. member for Kingston and the Islands does not particularly care about the economy of Saskatchewan but I am very concerned because it is the economy in my province that puts bread on the table, provides a future for young people and gives them some reason for optimism. I am really disappointed the government is trying to impose legislation on my province that will harm the economy.

The number of businesses attached to the hunting and tourism industry is tremendous. Has the government considered how many hunting lodges and outfitters will be forced to close? What about all the stores that sell hunting clothing and equipment and the sale of offload vehicles and RVs? We are talking big business. It is not a trivial matter.

Members across the way seem to think it is a trivial matter. They mock the legal business practices of the people of Saskatchewan who are benefiting from the tourism and hunting industry as it now exists. They do not seem to care that it will be squelched with the introduction and passage of Bill C–68.

It is not only the small business men and women who will suffer from the collapse of the hunting and fishing industry. Many local charities run food concessions at gun shows. It is not uncommon for a church group to raise $3,000 or $4,000 for charitable works from a single weekend show.

When farmers retire and auction off their equipment many put a rifle or two in the auction because it brings more people out to the sale. Many in my constituency have expressed the concern that losing this activity will drive down the money they raise for their retirement.

Many outfitters to whom I have spoken from all across Saskatchewan say that business in their stores and at gun shows has dropped by 40 per cent in anticipation of the bill passing. There is a 40 per cent loss in business because they understand the government is fixated with passing Bill C–68. They are expecting it to get much worse once the full impact of the bill is felt.

The Government of Saskatchewan estimates that for each white tail deer licence it issues to non–Canadian residents, $3,000 in related spending is added to the provincial economy. In 1993–94, 2,850 deer licences were issued to non–Canadians. If the American hunters boycott Canada, $8.5 million in direct spending alone will be lost from our economy.

As long as the herd is properly managed, this is a renewable resource that could continue to provide enjoyment for Canadians and our guests as well as contribute to our economy. White tail deer hunting is very important in my riding at the moment as the new world record buck was recently shot by a constituent of mine from Biggar.

Myles Hanson broke an 80–year old record previously held by an American from Nebraska. Because of this new world record, potential for increased tourism revenue exists for the local hunting industry, potential that is put in risk by this type of legislation.

It is unfortunate that we cannot have more time to debate the bill. I will close by saying that Bill C–68 should be split into two bills, one dealing with the crime control that all Canadians want and the other dealing with the gun control wanted by the Liberals and other elites.

It has been demonstrated time and time again that gun control and crime control are separate issues. We should treat them separately in the House. The economic impact of the bill will devastate the tourism industry in Saskatchewan. I call on all members, particularly those from Saskatchewan, to support splitting the bill. It would be a shame to lose a good crime bill because of some ill thought gun control idea.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Madam Speaker, it is a pleasure to rise to speak in favour of the amendment proposed by my colleague, the hon. member for Yorkton—Melville.

I have heard a lot of debate on the issue. I have heard a lot of statistics. We sometimes wonder what is being done with all the information. In Manitoba we register cars. There is insurance on them. If I am not a responsible driver pretty soon it costs me a lot more to drive the vehicle.

I heard that gun owners were very irresponsible, that there were many accidents in the home, that guns had to be locked up, and that something had to be done to prevent these things. I thought: Why not go to insurance companies to find out how they look at the issue? I want to read some statistics from Ontario and Manitoba. Maybe hon. members can put the figures together and match them against what has been said.

• (1710)

The Ontario Federation of Anglers and Hunters offers a public liability to its members included in the membership fee. They get the umbrella coverage through Royal Insurance. The insurance premium is extremely cheap. It works out to about $3 or $4 per member per year. It provides $2 million for public liability. That is pretty cheap public liability insurance. The Ontario Federation of Anglers and Hunters does not offer life insurance as part of its membership.

The Manitoba Wildlife Federation includes a $5,000 insurance on death or dismemberment at no extra cost. That is very cheap insurance for a very dangerous occupation, I would say. The Ontario Federation of Anglers and Hunters does not offer it because it is no more difficult to get a personal life insurance package if one is a hunter than if one is not. Apparently a life insurance company will ask questions to determine if one is involved in high risk activity. It will ask if one sky dives or scuba dives but will not ask if one is a hunter.

Insurance people work on a profit margin. If terrible accidents were costing a lot in compensation or insurance, they would have increased premiums. In Ontario in the late 1950s there were about 40 to 50 hunting accidents per year. Now there are less than five per year because of the extra emphasis on hunter safety training courses provided by gun clubs and by hunting organizations. It a pretty efficient education.

According to the Ontario Federation of Anglers and Hunters there is no question regarding gun ownership on home insurance policies. The Manitoba Wildlife Federation reports basically the same. It provides a $2 million third party supplementary liability policy with membership. It is meant to be supplementary and the homeowners policy would kick in first. The wildlife federation policy would cover the next $2 million. If there were no homeowners policy the wildlife federation policy would become the primary policy.

The Manitoba Wildlife Federation gets its insurance through Bolls and McMartin Insurance in Winnipeg. My assistant spoke with Bolls and McMartin Insurance this morning. There are no extra premiums for firearm owners on its homeowners policy. It is not a question they ask potential customers. Whether or not the person wanting insurance owns a firearm is not an issue. The number of firearm related accidents is so small that it is not of concern to the insurance companies. Why is it such a concern to Liberals?

Its homeowners policy is quite comprehensive and provides public liability for hunting accidents in the same way that it would provide for a chimney crumbling and damaging a neighbour's house or for a shingle blowing off the roof and hitting the postman. That about says how dangerous it is when it comes to gun ownership.

Prudential Insurance Company in Ottawa offers a home insurance policy that provides a $1 million liability. It covers a wide range of circumstances: accidents with a gun in the home or during hunting, someone slipping on a step or someone being hit by a brick falling off a chimney. They are all under one category. It does not ask specific questions regarding firearm ownership. It asks for the total value of goods in the home and guns are usually under the category of sporting goods.

When a home is broken into and the thieves want guns, they will also steal the guns that are stored and locked up. It is a matter of the criminal looking for whatever he needs. It is not the guns that are causing all the problems.

• (1715)

I would like to inform the House that there have been hunters in my family for five or six generations. My grandfather, whom I knew well, was an avid hunter, my father, myself and my youngest son. We have never had a hunting accident or a gun related accident. I have had the experience of my youngest son almost being killed by an attacker in a parking lot in the city. In one generation I have had that experience where five generations of hunting have never given me that experience.

Have these criminals been apprehended? No. It is impossible to catch them. Why? I would like to read a story and perhaps hon. members across the way will find out what our problem is. This is a Canadian Press story from Winnipeg of January 23:

> The bodies of Rhonda, 22, and Roy Lavoie, 30, were found Friday in a van parked in a farmer's garage north of Gimli, Man. Police said they died of carbon monoxide poisoning.
>
> Roy Lavoie had been charged on at least two separate occasions and released on bail both times.
>
> "I don't know why Roy got out the second time," (a friend said) as a police chaplain helped family members break the news of the murder–suicide to the couple's sons, age 2, 3 and 6.
>
> He was allowed to go free on bail after being charged with assaulting and abducting his wife in November.
>
> (On testimony given in Queen's Court on January 11 this lady) described how her husband had driven her to a cabin against her will, tied her up inside the car and threatened to kill her with exhaust fumes from the vehicle.

She had to promise she would not release this to anyone.

There are laws to protect us from criminals but they are not being enforced. Until such time as we as members of Parliament make the police enforce these laws any gun registering will do nothing to deter crime.

It is evident to anyone who has ever had anything to do with criminal activity that it is not the gun or the club or the stone or whatever it is that he is using, it is the man using the weapon.

If we want to do something, let us go after the criminal. Let us divide the bill. We support the section dealing with the sentencing of criminals. I fully support the amendment of my colleague to divide the bill and I hope the rest of the House will too.

Mrs. Diane Ablonczy (Calgary North, Ref.): Madam Speaker, I am pleased to rise today to support the amendment introduced by my hon. colleague, the member for Yorkton—Melville.

The amendment is to divide Bill C–68 into two parts: the first part dealing with the criminal use of firearms and stricter penalties to punish crime; and the second part to force law–abiding citizens to go through a very complicated, a very structured and a very costly procedure to register all their firearms. This is in addition to handguns, which are already registered and have had to be registered for over 60 years.

We support the division of the bill. Most Canadians want the criminal use of firearms to be dealt with swiftly and energetically. We need to make the criminal use of firearms, the violation of the safety and the rights of law–abiding citizens, a high risk activity. Criminals should think long and hard and should pay a very high price for violating the rights of citizens, for harming them and for interfering with their safety. We all agree on that. We wish the government would get on with it.

• (1720)

What we do not agree with is this time–honoured, political ploy of marrying a very important and very desirable public policy objective with a very problematic, very unpopular and very indefensible objective. That is so often the case in legislation where two different matters are put together in a bill. Legislators are forced to swallow some unpalatable parts of the legislation in order to get the desirable ones.

My colleague has given the House the opportunity to get what we need, which is better law enforcement and better punishment of criminal activity. It would deal in a more rational and sensible way with some of these proposals to get tough with law–abiding citizens and to interfere with their freedoms and their right to live their lives in a peaceful and uninterrupted manner.

The justice minister made some rather interesting claims about the gun control portion of the legislation. I would like to examine those claims. I hope that members opposite will be quiet long enough to listen to what I have to say.

First, the justice minister said that registration will improve safety for police by letting them know who owns firearms. The fact is that fully 96 per cent of guns involved in criminal activity are illegally obtained. Police do not know who owns these firearms because criminals do not register their guns. They are criminals. They are not operating within the law and they are not going to do it just because the justice minister thinks it would be nice if they did.

Second, the justice minister claims that registration will combat smuggling by monitoring the types and quantities of firearms coming into Canada. Perhaps the justice minister, being a very educated man, could look at the dictionary. The dictionary defines smuggling as "unmonitored and secret activity". I fail to see why smugglers will register firearms. Will they say: "We are smuggling these in and we will send you a list of what we are smuggling?" That is a little ridiculous. I am sure that even members across the way can see the logic in that.

Third, the justice minister claims that registration will improve public safety and only penalize criminals and those who fail to accept responsibility for gun ownership. The justice minister has been repeatedly asked but has never produced information to support his claims that registration of firearms will increase public safety and decrease the criminal use of firearms.

If we could be safer with registration, every one of us would wholeheartedly enter into this activity. We have asked for this kind of evidence and we have asked for documentation to support this unfounded allegation made by the justice minister. If he has a shred of evidence, why does he not bring it forward? All he does is say that the association of police chiefs wants this. The association of police chiefs wants capital punishment to be reinstated. Is the justice minister going to accede to that request as well?

This is an important issue and the justice minister should be putting forward the facts on which he is basing these allegations.

The justice minister claims that registration will help police to enforce prohibition orders against individuals prohibited from owning a firearm. My colleagues have cited case after case where crimes have been perpetrated by people who have already been prohibited from owning firearms but are still using them. In fact, in Ottawa a few days ago that very situation took place.

Plain, real life experience shows that the claims of the justice minister simply do not hold up. It is very important that we examine this in a common sense and rational manner. If we are going to make these kinds of claims and promises, they should stand up to real life scrutiny and they do not.

• (1725)

The justice minister also claims that registration will ensure that owners of firearms store them safely and securely beyond the reach of thieves. Any responsible firearms owner has already been doing this for decades.

Registration simply puts unwarranted restrictions and red tape on responsible, law–abiding, freedom loving citizens as a substitute for getting tough with criminals. This is simply unacceptable in our society.

We have literally millions of firearms in our country. Every one of them under this scheme will have to be examined and registered. This will entail an enormous amount of paperwork and administrative time for our already overworked law enforcement agencies.

We want these people out on the street. We want them responding to our calls for help. We want them to be there when we need them, not shuffling paper to make sure that all the hoops are jumped through, all the *p*s and *q*s are minded by people who have never committed a crime in their entire lives nor are they likely to.

There is a real commitment in our country to democracy, to freedom, to individual rights. This kind of government intrusion, this kind of restriction on freedom, this type of interference in the way we order our lives, we own our property and manage it, is simply not warranted. It is simply not acceptable.

I urge members of the House to put a stop to this nonsense by supporting the amendment, dealing with what should be dealt with and leaving law–abiding citizens alone.

Mr. Monte Solberg (Medicine Hat, Ref.): Madam Speaker, I will follow up very quickly on what the hon. member for Calgary North said.

I am very concerned that although we have asked the justice minister on many occasions to give us the evidence that shows that registration of guns will lead to a reduction in crime, each and every time he has used a phoney argument.

He has tried to appeal to the authority of the police chiefs. The police chiefs are just offering their personal opinion as politicians, certainly not as experts in the field. We have given him instance after instance of other jurisdictions where gun control has been attempted, where registration has been attempted, not the least of which is Canada.

I point that out to the hon. member for Kingston and the Islands. We have had the registration of handguns for 60 years and we still have an increase in the criminal misuse of handguns. That is a very powerful argument against the further registration of long guns.

Also, we have pointed out what has happened in other jurisdictions around the world, such as Australia, where they have had to repeal the idea of the registration of guns because the system did not work. Let us not engage in emotional arguments about guns. Let us look at some of the evidence out there.

The fact is that in other jurisdictions and in this jurisdiction gun registration has not been effective in controlling crime. If it had been, this party would be at the lead in promoting it but it has not. For that reason, we cannot support it.

I also want to touch for a moment on the whole idea of personal responsibility. There is a concept that many people believe in very strongly, which is that if one is responsible for something then that person should personally pay the consequences. In this legislation the government has stood that concept on its head. It said that if the bad guys do something bad then everybody should pay for it. That is what the legislation promotes.

I urge Canadians around the country to write to the government and tell it that this is wrong–headed legislation.

The Acting Speaker (Mrs. Maheu): Your time has not expired. When debate resumes you will have seven minutes left.

* * *

BORROWING AUTHORITY ACT, 1995–96

The House resumed from March 24 consideration of the motion that Bill C–73, an act to provide borrowing authority for the fiscal year beginning on April 1, 1995, be read the third time and passed.

The Acting Speaker (Mrs. Maheu): Pursuant to order made Friday, March 24, 1995, the House will now proceed to the taking of the deferred division on the motion at third reading stage of Bill C–73, an act to provide borrowing authority for the fiscal year beginning April 1, 1995.

Call in the members.

• (1745)

And the bells having rung:

Mr. Boudria: Mr. Speaker, I rise on a point of order. I think if you were to seek it you would find unanimous consent that the House deal with the report stage motions and the concurrence motion with regard to Bill C–69 before Bill C–73 and do Bill C–73 immediately afterward.

The Speaker: Members have heard the terms of the motion. Is it agreed?

Some hon. members: Agreed.

* * *

ELECTORAL BOUNDARIES READJUSTMENT ACT, 1995

The House resumed from March 27 consideration of Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries, as reported (with amendments) from the committee.

The Speaker: The question is on Motion No. 1. A vote on this motion also applies to Motions Nos. 2, 3, 5 and 7. This is in the first group.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 185*)

YEAS

Members

Abbott
Benoit
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Cummins
Epp
Gilmour
Grubel
Harper (Calgary West)
Hart
Hill (Prince George—Peace River)
Jennings
Kerpan
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Mills (Red Deer)
Ringma
Silye
Strahl

Ablonczy
Breitkreuz (Yellowhead)
Bridgman
Chatters
Duncan
Frazer
Gouk
Hanrahan
Harper (Simcoe Centre)
Hermanson
Hoeppner
Johnston
Manning
Mayfield
Meredith
Penson
Schmidt
Solberg
Williams—38

NAYS

Members

Alcock
Anderson
Assadourian
Augustine
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Bethel
Blondin–Andrew
Bonin
Brushett
Bélair
Bélisle
Campbell
Canuel
Catterall
Chan
Clancy
Collenette
Cowling
Crête
Daviault
Deshaies
Dhaliwal
Dromisky
Duceppe
Dumas
Eggleton
Fewchuk
Finestone
Fontana
Gagnon (Québec)
Gauthier (Roberval)
Godin
Gray (Windsor West)
Guay
Hickey
Hubbard
Iftody
Jackson
Jordan
Kilger (Stormont—Dundas)
Knutson
Lalonde
Langlois
Laurin
Lebel
Leblanc (Longueuil)
Lefebvre
Leroux (Shefford)
Loney
MacAulay
Malhi
Manley
Marleau
McCormick
McKinnon

Anawak
Arseneault
Asselin
Axworthy (Saskatoon—Clark's Crossing)
Baker
Barnes
Bellehumeur
Bernier (Beauce)
Bertrand
Bevilacqua
Bodnar
Boudria
Bryden
Bélanger
Calder
Cannis
Caron
Chamberlain
Chrétien (Frontenac)
Cohen
Collins
Crawford
Culbert
de Savoye
DeVillers
Discepola
Dubé
Duhamel
Easter
English
Fillion
Flis
Gagliano
Gallaway
Godfrey
Graham
Guarnieri
Guimond
Hopkins
Ianno
Irwin
Jacob
Keyes
Kirkby
Kraft Sloan
Landry
Lastewka
Lavigne (Beauharnois—Salaberry)
LeBlanc (Cape/Cap–Breton Highlands—Canso)
Lee
Leroux (Richmond—Wolfe)
Lincoln
Loubier
MacLellan (Cape/Cap–Breton—The Sydneys)
Maloney
Marchand
Martin (LaSalle—Émard)
McGuire
McLaughlin

McTeague
Mercier
Milliken
Mitchell
Murray
Nault
Nunziata
O'Reilly
Paradis
Patry
Peters
Phinney
Pickard (Essex—Kent)
Plamondon
Proud
Richardson
Robinson
Rock
Serré
Sheridan
St–Laurent
Steckle
Szabo
Telegdi
Thalheimer
Tremblay (Rimouski—Témiscouata)
Ur
Vanclief
Verran
Walker
Wells
Wood
Zed—183

McWhinney
Mifflin
Minna
Murphy
Ménard
Nunez
O'Brien
Pagtakhan
Paré
Peric
Peterson
Picard (Drummond)
Pillitteri
Pomerleau
Reed
Rideout
Rocheleau
Scott (Fredericton—York—Sunbury)
Shepherd
Speller
St. Denis
Stewart (Brant)
Taylor
Terrana
Torsney
Tremblay (Rosemont)
Valeri
Venne
Volpe
Wayne
Whelan
Young

PAIRED MEMBERS

Bachand
Bernier (Gaspé)
Brien
Debien
Gaffney
Harvard
Ringuette–Maltais

Bellemare
Bouchard
Dalphond–Guiral
Finlay
Grose
Lavigne (Verdun—Saint–Paul)
Sauvageau

• (1755)

The Speaker: I declare Motion No. 1 lost. I therefore declare Motions Nos. 2, 3, 5 and 7 lost.

The next question is on Motion No. 4.

(The House divided on the motion, which was negatived on the following division:)

(*Division No. 186*)

YEAS

Members

Asselin
Bergeron
Bernier (Mégantic—Compton—Stanstead)
Canuel
Chrétien (Frontenac)
Daviault
Deshaies
Duceppe
Fillion

Bellehumeur
Bernier (Beauce)
Bélisle
Caron
Crête
de Savoye
Dubé
Dumas
Gagnon (Québec)

Gauthier (Roberval)
Guay
Jacob
Landry
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Marchand
Ménard
Paré
Plamondon
Robinson
St-Laurent
Tremblay (Rosemont)
Godin
Guimond
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Mercier
Nunez
Picard (Drummond)
Pomerleau
Rocheleau
Tremblay (Rimouski—Témiscouata)
Venne—48

NAYS

Members

Abbott
Alcock
Anawak
Arseneault
Augustine
Baker
Barnes
Benoit
Bethel
Blondin-Andrew
Bonin
Breitkreuz (Yellowhead)
Bridgman
Brushett
Bélair
Calder
Cannis
Chamberlain
Chatters
Cohen
Collins
Crawford
Cummins
Dhaliwal
Dromisky
Duncan
Eggleton
Epp
Finestone
Fontana
Gagliano
Gilmour
Gouk
Gray (Windsor West)
Guarnieri
Hanrahan
Harper (Simcoe Centre)
Hermanson
Hill (Prince George—Peace River)
Hopkins
Ianno
Irwin
Jennings
Jordan
Keyes
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Malhi
Manley
Marleau
Martin (LaSalle—Émard)
McClelland (Edmonton Southwest)
McGuire
McLaughlin
McWhinney
Mifflin
Mills (Red Deer)
Mitchell
Murray
Nunziata
O'Reilly
Paradis
Penson
Peters
Phinney
Ablonczy
Althouse
Anderson
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bertrand
Bevilacqua
Bodnar
Boudria
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Bryden
Bélanger
Campbell
Catterall
Chan
Clancy
Collenette
Cowling
Culbert
DeVillers
Discepola
Duhamel
Easter
English
Fewchuk
Flis
Frazer
Gallaway
Godfrey
Graham
Grubel
Hanger
Harper (Calgary West)
Hart
Hickey
Hoeppner
Hubbard
Iftody
Jackson
Johnston
Kerpan
Kilger (Stormont—Dundas)
Knutson
Lastewka
Lee
Loney
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Manning
Martin (Esquimalt—Juan de Fuca)
Mayfield
McCormick
McKinnon
McTeague
Meredith
Milliken
Minna
Murphy
Nault
O'Brien
Pagtakhan
Patry
Peric
Peterson
Pickard (Essex—Kent)
Pillitteri
Reed
Rideout
Rock
Scott (Fredericton—York—Sunbury)
Shepherd
Silye
Speller
Steckle
Strahl
Taylor
Terrana
Torsney
Valeri
Verran
Walker
Wells
Williams
Young
Proud
Richardson
Ringma
Schmidt
Serré
Sheridan
Solberg
St. Denis
Stewart (Brant)
Szabo
Telegdi
Thalheimer
Ur
Vanclief
Volpe
Wayne
Whelan
Wood
Zed—174

PAIRED MEMBERS

Bachand
Bernier (Gaspé)
Brien
Debien
Gaffney
Harvard
Ringuette-Maltais
Bellemare
Bouchard
Dalphond-Guiral
Finlay
Grose
Lavigne (Verdun—Saint-Paul)
Sauvageau

[*Translation*]

The Speaker: I declare Motion No. 4 lost.

[*English*]

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.) moved that the bill, as amended, be concurred in.

The Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

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

Some hon. members: Yea.

The Speaker: All those opposed will please say nay.

Some hon. members: Nay.

The Speaker: In my opinion the yeas have it.

And more than five members having risen:

Mr. Boudria: Mr. Speaker, I think you would find unanimous consent that the members who voted on the previous motion be recorded as having voted on the motion now before the House in the following manner: Liberal MPs voting yea.

[*Translation*]

Mr. Duceppe: Mr. Speaker, Bloc Quebecois members refuse this proposal.

[*English*]

Mr. Silye: Mr. Speaker, Reform Party members will also oppose this bill, except for those members who wish to vote otherwise.

Mr. Taylor: Mr. Speaker, New Democrats vote no.

Mrs. Wayne: Mr. Speaker, as a PC member I will be voting nay.

[*Translation*]

Mr. Bernier (Beauce): I say yea, Mr. Speaker.

[*English*]

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

(Division No. 187)

YEAS

Members

Alcock
Anderson
Assadourian
Axworthy (Winnipeg South Centre)
Bakopanos
Beaumier
Bertrand
Bevilacqua
Bodnar
Boudria
Bryden
Bélanger
Campbell
Catterall
Chan
Cohen
Collins
Crawford
DeVillers
Discepola
Duhamel
Eggleton
Fewchuk
Flis
Gagliano
Godfrey
Gray (Windsor West)
Hickey
Hubbard
Iftody
Jackson
Keyes
Kirkby
Kraft Sloan
LeBlanc (Cape/Cap-Breton Highlands—Canso)
Lincoln
MacAulay
Malhi
Manley
Martin (LaSalle—Émard)
McGuire
McTeague
Mifflin
Minna
Murphy
Nault
O'Brien
Pagtakhan
Patry
Peters
Phinney
Pillitteri
Reed
Anawak
Arseneault
Augustine
Baker
Barnes
Bernier (Beauce)
Bethel
Blondin-Andrew
Bonin
Brushett
Bélair
Calder
Cannis
Chamberlain
Clancy
Collenette
Cowling
Culbert
Dhaliwal
Dromisky
Easter
English
Finestone
Fontana
Gallaway
Graham
Guarnieri
Hopkins
Ianno
Irwin
Jordan
Kilger (Stormont—Dundas)
Knutson
Lastewka
Lee
Loney
MacLellan (Cape/Cap-Breton—The Sydneys)
Maloney
Marleau
McCormick
McKinnon
McWhinney
Milliken
Mitchell
Murray
Nunziata
O'Reilly
Paradis
Peric
Peterson
Pickard (Essex—Kent)
Proud
Richardson
Rideout
Scott (Fredericton—York—Sunbury)
Shepherd
Speller
Steckle
Szabo
Terrana
Torsney
Valeri
Verran
Walker
Whelan
Young
Rock
Serré
Sheridan
St. Denis
Stewart (Brant)
Telegdi
Thalheimer
Ur
Vanclief
Volpe
Wells
Wood
Zed—132

NAYS

Members

Abbott
Althouse
Bellehumeur
Bergeron
Breitkreuz (Yellowhead)
Bridgman
Bélisle
Caron
Chrétien (Frontenac)
Cummins
de Savoye
Dubé
Dumas
Epp
Frazer
Gauthier (Roberval)
Godin
Grubel
Guimond
Hanrahan
Harper (Simcoe Centre)
Hermanson
Hoeppner
Jennings
Kerpan
Landry
Laurin
Lebel
Lefebvre
Leroux (Shefford)
Manning
Martin (Esquimalt—Juan de Fuca)
McClelland (Edmonton Southwest)
Mercier
Mills (Red Deer)
Nunez
Penson
Plamondon
Ringma
Rocheleau
Silye
St-Laurent
Taylor
Tremblay (Rosemont)
Wayne
Ablonczy
Asselin
Benoit
Bernier (Mégantic—Compton—Stanstead)
Breitkreuz (Yorkton—Melville)
Brown (Calgary Southeast)
Canuel
Chatters
Crête
Daviault
Deshaies
Duceppe
Duncan
Fillion
Gagnon (Québec)
Gilmour
Gouk
Guay
Hanger
Harper (Calgary West)
Hart
Hill (Prince George—Peace River)
Jacob
Johnston
Lalonde
Langlois
Lavigne (Beauharnois—Salaberry)
Leblanc (Longueuil)
Leroux (Richmond—Wolfe)
Loubier
Marchand
Mayfield
McLaughlin
Meredith
Ménard
Paré
Picard (Drummond)
Pomerleau
Robinson
Schmidt
Solberg
Strahl
Tremblay (Rimouski—Témiscouata)
Venne
Williams—90

PAIRED MEMBERS

Bachand
Bernier (Gaspé)
Brien
Debien
Gaffney
Harvard
Ringuette-Maltais
Bellemare
Bouchard
Dalphond-Guiral
Finlay
Grose
Lavigne (Verdun—Saint-Paul)
Sauvageau

The Speaker: I declare the motion carried.

* * *

BORROWING AUTHORITY ACT, 1995–96

The House resumed from March 24 consideration of the motion that Bill C–73, an act to provide borrowing authority for the fiscal year beginning on April 1, 1995, be read the third time and passed.

The Speaker: Pursuant to order made Friday, March 24, 1995, the House will now proceed to the taking of the deferred division on the motion at third reading stage of Bill C–73, an act to provide borrowing authority for the fiscal year beginning April 1, 1995.

[*Translation*]

Mr. Boudria: Mr. Speaker, I think that, if you ask the House, you would find unanimous consent to apply the result of the vote taken on the previous motion to the motion now before this House.

The Speaker: Is that agreed?

Mr. Duceppe: Agreed.

[*English*]

Mr. Silye: Agreed.

Mr. Taylor: Agreed.

Mrs. Wayne: Agreed.

[*Translation*]

Mr. Bernier (Beauce): Agreed.

[*English*]

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

[*Editor's Note: See list under Division No. 187*]

The Speaker: I declare the motion carried.

It being 6.12 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

FINANCIAL ADMINISTRATION ACT

The House resumed from February 16 consideration of the motion that Bill C–263, an act to amend the Financial Administration Act and other acts in consequence thereof (exempted crown corporations), be read the second time and referred to a committee.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Madam Speaker, it is with great pleasure that I present the government's position on Bill C–263 tabled by the hon. member for Okanagan—Similkameen—Merritt. I will be speaking to this House about the International Development Research Centre, or IDRC as it is better known, and why it is and should remain exempt from the Financial Administration Act, or the FAA.

It is with great pride that I tell you about this well respected Canadian organization in true Canadian form. It is one of our institutions that is better known outside this country than it is by the taxpayers who support it.

IDRC was the first such institution in the world. Lester B. Pearson, a strong proponent of IDRC, was named as its first chairman. The centre was then copied in Sweden, set up as SAREC in 1975, and in the U.S.A., Australia, Germany and the Netherlands.

The debates here and in the Senate showed there was strong agreement that IDRC should represent a new approach to relations with developing countries. The idea of the centre was to bring together Canadian and foreign experts on the problems of developing economies.

During second reading the Hon. Mitchell Sharp, well known to everyone in Canada, who was then Secretary of State for External Affairs, pointed out that the centre would be "a Canadian institution with an important international dimension. Both the board and staff will include specially qualified people from various parts of the world, including the developing countries. The centre will be structured so as to provide the best possible environment for creativity and problem solving".

Therein lies the reason why IDRC is not an agent of Her Majesty. Canadians must form the majority of its board members but the remainder is made up of prominent residents of developing countries. The current board members include Sir Sridath Ramphal, former Secretary–General of the Commonwealth, and Dr. Miguel de la Madrid, former President of Mexico. It would be very difficult for non–Canadian governors to serve, without a conflict of allegiance, an institution which was an agent of Her Majesty.

The importance of having staff from outside Canada is the reason the employees are not members of the public service. To this date the centre's staff comprises many scientists from developing countries. These bring to the centre's work a unique knowledge and appreciation of local conditions which is essential to finding practical and useful results. If its staff were to join the public service, it would become extremely difficult to recruit scientists in developing countries.

Now we come to the thrust of Bill C–263, the question of IDRC's exemption from the FAA. When the centre was created the parliamentary subcommittee reviewing the bill noted in its report that there was concern that there be "a reasonable measure of accountability for the use of public funds". At the same time it was recognized that "an essential prerequisite for

such an institution is that it be fully free to exercise purely professional standards of prominence and integrity".

The report went on to say that "constant vigilance will be required to protect the independence and integrity of the centre. The object will be advanced by the diversification of the sources of financial support and this should be a high priority for the governors".

Throughout its existence, IDRC has used its exemption from the FAA to enable it to seek financial support from diverse sources, something which it has had some success in doing. However in the current climate of government fiscal restraint, IDRC has made it a priority within the centre to reduce its dependency on the public purse by raising and leveraging resources from organizations outside Canada: multilateral and bilateral institutions and private not for profit foundations. Many of these, because of their mandates, would be unable to provide funds to the receiver general of a developed country.

In other words, by putting IDRC under the FAA which the member wants to do in his bill, we would make it more reliant on government funding and limit its ability to diversify its revenue resources. I am sure this was not the intention of my esteemed colleague when he tabled this bill.

This exemption from the FAA does not mean that the IDRC is unaccountable. On the contrary, IDRC is accountable to the Parliament of Canada. Its transactions are audited annually by the Auditor General of Canada who has also just completed a second value for money audit undertaken at the centre's request.

The centre's annual report is tabled in Parliament and the centre's chairperson and president frequently appear before House of Commons committees. I know I cannot use props but I do have the International Development Research Centre's annual report for 1993–94 if any member is interested in obtaining a copy.

• (1820)

I have just returned from Montevideo where I visited the regional office of IDRC. I also have a copy of its annual report which is available to any member who wishes to study it.

The current status allows for flexibility and enables the centre to move with great speed when political situations change, as they did in South Africa, Vietnam, Ukraine and who knows, maybe Burundi in the future.

IDRC's work at implementing sustainable development was given a positive mention in the special joint committee review of Canada's foreign policy. Its performance was rated highly by the National Advisory Board on Science and Technology's review of science and technology in Canada.

IDRC's flexibility has brought enormous benefits to Canada and the developing world. The centre is seen internationally as a dynamic, knowledge based and results oriented organization which has helped improve the lives of people in developing countries. It is particularly suited to these times of considerable change and constant upheaval.

I could refer to many examples of the outstanding work of IDRC but I know my time is limited. However, I would like to share a few examples with the House.

Members may have heard of the fog catcher in Chile. Peter Gzowski on "Morningside" a month ago and the extremely influential British magazine *The Economist* in January had stories describing this IDRC technology which is bringing clean drinking water to the poor people of a Chilean village. It is now being introduced in neighbouring Peru and Ecuador. It has the potential to bring water to many other communities in Africa, the Middle East and Asia.

In this its 25th year, IDRC and Canadians who have supported it have much to be proud of. IDRC is a leading Canadian agency for research and innovation, an area this government regards as key to our future growth. Its work benefits not only people in developing countries but also people here in Canada.

I visited the IDRC regional centre in Uruguay just two weeks ago and held a round table meeting with the regional director, the staff and the researchers. I learned how the work of IDRC in developing countries provides information, technology, goodwill and knowledge that can lead to business opportunities for Canadians at home or in those countries.

I also learned that the IDRC can contribute in a unique way in helping economies in transition to prepare for a market economy and build ties to Canada. IDRC's assets in this regard are its in house expertise and its international network of experts in this field.

IDRC helps emerging economies tap Canadian scientific and technological expertise and establish links with Canadian researchers and the private sector. This was the case, for example, in IDRC's work in Vietnam, China, Singapore, Pakistan and India.

In closing, I would like to reiterate that IDRC's exemption from the FAA has served it and Canada well. Removing this exemption would make it difficult for the centre to raise revenue from sources outside Canada. It would make it less flexible. It would thus hinder its fine work and would limit the international component of the centre.

When we have a good institution, a uniquely Canadian institution, why change it? For these reasons and others, the government does not support Bill C–263.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Mr. Speaker, the bill before the House today, Bill C–263, an act to amend the Financial Administration Act and other acts in consequence thereof, deals with exempted crown corporations, and is, in the opinion of the Bloc Quebecois, entirely useless, and we will

therefore vote against this bill. Let me take a few minutes to explain.

There are nearly 50 crown corporations in Canada in various economic sectors across the country. These crown corporations employ around 115,000 people. In 1992–93, the government spent a little over $4.5 billion through parliamentary votes on these corporations. Their impact on the country's economy is therefore very substantial.

• (1825)

The Financial Administration Act, Part X, sets the management framework for crown corporations. These corporations are responsible for producing certain documents, since they are accountable to Parliament through their minister. Every crown corporation must submit a corporate plan annually to the department and every corporation must also submit an operating budget for approval by Treasury Board.

Every corporation must also produce an annual report containing financial statements as well as accounting data. They must also proceed with internal audits to ensure that assets are protected and that operations conform to the regulations. In addition to the obligation to produce documents, a special audit must be conducted at least every five years by an in–house auditor, to determine whether the corporations develop and implement sound management practices.

Consequently, crown corporations are subject to very strict and very specific rules. However, not all corporations are subject to Part X. In fact, the Act contains a number of exemptions, including the Bank of Canada, the Canadian Wheat Board, to which the hon. member referred earlier, and the International Development Research Centre, but he forgot to say that votes had been cut in this sector. The same applies to the Canada Council, the National Arts Centre Corporation, the Canadian Film Development Corporation—here again, the government has slashed the budgets—and of course the Canadian Broadcasting Corporation, which we discussed last week.

These corporations were exempted because in 1984, it was felt that it was necessary to protect their arm's length relationship with the government. The bill before the House today wants to do the opposite, except in the case of two corporations, and I am referring to the CBC and the Bank of Canada. I will get back to this later on. These corporations are under no obligation to produce a corporate plan or to be accountable for their results, and they are under no obligation to carry out internal or special audits. Bill C–263 is intended to eliminate exemptions from the application of divisions I to IV, and thus from the obligations I mentioned earlier.

This bill does not, however, affect the Bank of Canada or the CBC. In fact, the CBC is already subject to accountability. Why should we impose additional rules on the CBC or other corporations, through further legislation? And of course that is why the Bank of Canada and the CBC are not part of the group. As far as the Bank of Canada is concerned, the position seems to be that the arm's length relationship of the Bank of Canada to the government could be affected, and that is the reason for excluding them.

This position, in other words, the arm's length relationship to the government, is not as strong in other cases where political interference would not have the same impact. So there is an attempt to open the door to patronage. This bill goes too far in terms of controlling the administration of these corporations. It would subject the five crown corporations to close supervision involving both their accountability and control over their management. Instead, why not make them more accountable?

Since 1985, the Financial Administration Act has been amended 58, yes 58 times, which means an average of once every two months. I understand very well that the aim of the changes over the years was to keep in tune with and to adjust to the so–called changing environment. But 58 times? Think of all the time wasted.

• (1830)

People then wonder why Quebec wants to become sovereign. What choice is there when Quebecers see their federal government being inconsistent to the point of wanting to amend legislation every two months.

Would it not be smarter to take the more flexible approach, proposed in 1991 by the auditor general in his annual report, of incorporating into the legislation the legislator's undertakings? It would also be a good idea to see, after analysis, how best to provide for accountability and a level of control in each corporation, in keeping with its particular mandate and mission.

It would be much wiser, indeed, to make these corporations accountable by giving them more responsibility instead, I repeat, instead of controlling them as the bill proposes.

It is important to give officials in crown corporations more responsibility in all areas. Why? To make them accountable to Parliament and thus enable us to more fairly and better evaluate their individual performances.

This bill accords the same status to all crown corporations, which should not be the case. This bill also gives the minister the power to meddle in the policies of crown corporations that have a cultural mandate, when they should have more discretionary authority in their respective areas.

The comments of the auditor general can help us significantly on this. I therefore say simply that, with regard to staffing, these crown corporations will no longer be able, once the bill is adopted, to recruit employees with training in the disciplines they require. I do not understand why the government, which cut 45,000 jobs in the public service in its latest budget, is trying to

prevent crown corporations from obtaining qualified people from outside the public service.

I repeat; this bill is not needed, and we will of course be voting against it.

Ms. Albina Guarnieri (Parliamentary Secretary to Minister of Canadian Heritage, Lib.): Madam Speaker, I am delighted to have the opportunity to participate in this debate on Bill C–263, an act to amend the Financial Administration Act.

[*English*]

The purpose of the bill is to subject five crown corporations to the provisions of Part X of the FAA. Three of these crown corporations, the Canada Council, the Canadian Film Development Corporation and the National Arts Centre Corporation are accountable to Parliament through the Minister of Canadian Heritage.

[*Translation*]

Crown corporations are vehicles permitting the government to reach goals which are in the public interest when it is necessary to distance the crown from the management of day–to–day operations. Each crown corporation has an enabling act which loosely defines its functions, powers and objectives.

[*English*]

Parliament legislates the general governance of crown corporations and the allocation of public funds to individual crown corporations. Parliament votes the estimates to which operating subsides, loans and advances are made to the crown corporations.

The main estimates of the Canadian heritage portfolio are annually submitted to the Standing Committee on Canadian Heritage for review. In conjunction with this review, heads of crown corporations may be called before the standing committee to make presentations and reply to questions from committee members. The committee examines the financial resources provided to these crowns and their plans on spending these resources.

Part X of the FAA outlines the control and accountability framework for crown corporations subject to this section. The framework entails the following six elements. The preparation of a corporate plan for the approval of the the Treasury Board and the governor in council; the tabling of a corporate plan summary in Parliament; a requirement to disclose in their annual reports the extent to which certain objectives have been achieved; the use of generally accepted accounting principles in the preparation of financial statements; the undertaking of internal audits or the establishment of internal audit committees as well as a requirement to undergo special examinations by the Auditor General of Canada.

• (1835)

These agencies have been exempted from part X because of the need to protect the special nature of their relationship to the government, that is, a degree of independence from political and bureaucratic control.

[*Translation*]

This means that the government does not interfere with the day to day management decisions of these organizations. The government, nevertheless, is responsible for developing detailed policies on issues of national importance and must be able to keep the paths followed by crown corporations in line with the government's main game plan. This arm's length relationship should not prevent these organizations from being fully accountable to government.

[*English*]

In this vein the exempt crown corporations in the Canadian heritage portfolio follow the control and accountability regime outlined in their enabling legislation and many have chosen to voluntarily adopt a number of the key accountability provisions of part X of the FAA.

[*Translation*]

Founded in 1957, the Canada Council promotes and encourages the study, appreciation and production of works of art. It also co–ordinates UNESCO's Canadian operations and Canada's participation in that organization's operations abroad.

[*English*]

With the assistance of the Canada Council, Canadian artists and cultural institutions have played an integral role in developing a strong Canadian cultural fabric recognized at home and abroad, have fostered a deeper awareness of our history and have bestowed on us new visions of possible futures.

The Canadian Film Development Corporation, now more commonly known as Telefilm Canada was established in 1967. Its mandate is to foster and promote the orderly growth of an independent film and television industry in all regions of Canada through investment and financing of the development, the production, the marketing and the distribution of Canadian motion pictures and television productions. It also administers Canada's co–production treaties with foreign countries and assists with foreign marketing and the promotion of Canadian productions.

[*Translation*]

Telefilm Canada is a veritable economic and cultural pillar in the Canadian film and television industries. As a key investor in these industries, Telefilm has forged a strong partnership with Canadian film and television professionals, participating in all aspects of production.

Over the years, Telefilm has gained worldwide acclaim for its expert production, distribution and marketing support of Canadian productions of cultural importance. Canadian companies count on Telefilm for many different kinds of financial support. In fact, the works financed by Telefilm Canada produce an economic spinoff of close to $300 million each year.

[*English*]

The National Arts Centre, which opened in 1969, arranges for and sponsors performing arts activities at the centre in the national capital region, across Canada and abroad, as well as radio and television broadcasts of performances at the centre. The NAC plays an important role in the development of the Canadian performing arts.

As such, the centre strives to develop new works and new talents as well as develop audiences for the arts in Canada by showcasing the finest Canadian and international works and talents and to foster the development and touring of Canadian music, theatre and dance.

As a group, the three exempt crown corporations encourage the creation, production, distribution and consumption of cultural goods and services which are essential to Canada's identity as a country. They comply either with their enabling legislation or voluntarily with several of the key accountability provisions of part X of the FAA including the following measures. All utilize generally accepted accounting principles in the preparation of their financial statements. The auditor general audits these financial statements to ensure that the accounts and statements are a fair representation of the financial position of these organizations.

• (1840)

Each organization's board has established an audit committee which reviews and advises the board on its financial statements, reviews its accounting procedures and internal controls, oversees any internal audits undertaken, reviews and advises the council on reports from the auditor general and reviews any corrective measures implemented as a result of audits.

Each organization prepares an annual report which is tabled in Parliament. This document offers to central agencies, parliamentarians and the general public alike valuable information concerning each organization's activities and the important roles they play.

Each organization prepares planning documents which outline missions, issues, objectives and strategies for a specific planning period. These documents contain information similar to that which would appear in a corporate plan required by part X of the FAA.

The government strongly supports the principle of effective accountability of crown corporations to government. The challenge before us is to ensure that an appropriate balance is struck between accountability of crown corporations to Parliament and the public demand for how these crown corporations spend public moneys, and the essential autonomy of these organizations to operate without interference from government on issues such as artistic merit and taste.

The accountability regimes which the Canada Council, Telefilm and the NAC follow, either in compliance with their enabling legislation or through voluntary compliance with several of the key accountability provisions of part X of the FAA, are strong evidence that the balance between accountability and autonomy can be achieved.

Indeed, in his 1991 report the then Auditor General noted that he was not aware of any accountability problems in the exempt crown corporations that might have been avoided if they were subject to part X.

The proposed bill by the Reform, as tabled, unfortunately would not provide the exempt crown corporations with adequate protection from directive power from the government. The arm's length relationship of these crown corporations and the government is a hallmark of Canada's cultural tradition, one we wish to maintain. Moreover, the bill would bring more employees into the public service at a time of fiscal restraint and downsizing.

Notwithstanding the shortcomings of the bill, in the light of the government's commitment to the accountability of crown corporations, I want to inform the House that the government intends to work with the exempt crown corporations to ensure an appropriate accountability regime.

Mr. Ed Harper (Simcoe Centre, Ref.): Madam Speaker, it gives me great pleasure to rise in the House today to speak to Bill C–263, an act to amend the Financial Administration Act.

The bill is about a non–partisan issue, one of which we as members of the 35th Parliament should be keenly aware, and that is accountability. Accountability is what Canadians want from their governments, from their elected officials and the institutions which they fund. The last government failed in many areas, but one area that really disturbed the voters was the lack of accounting for funds spent in the name of the taxpayer. That government paid the price for its failings, so I feel confident that this mistake will not be repeated by current members and changes will be made in the way we conduct the nation's business.

The bill does not require anything of the crown corporations listed other than the standard of accountability imposed on most government operations. All that we are asking for is a corporate plan, a budget summary and an annual report.

As a small businessman I can tell the House that without a business plan, proper accounting and auditing, any business is doomed to fail. We are not dealing with a small business though, we are dealing with the nation's biggest business and its funding. It comes in trust from the Canadian taxpayer. We have

a moral obligation to ensure that these funds are spent as wisely as possible.

The Canada Council is one of the affected agencies in the proposed legislation. As a granting council, budgeting should be a fairly simple and non–controversial matter. A corporate plan, setting out the corporate vision, objectives and a timetable for meeting those objectives are fundamental to the proper operation of a granting council. Without such a business plan businesses fall apart. Without such a plan the granting council leaves itself open to be captured by special interest groups. A gap forms in accountability between an organization and those who fund it and the taxpayers feel disenfranchised.

• (1845)

Perhaps this is part of the real problem with the Canada Council. With no ongoing vision, plan or objective, special interests are able to find a measure of control in deciding who or what is worthy of funding. This can be the only explanation for the council to even consider giving $10,000 to the Writers Union of Canada for its "Writing through Race" conference in Vancouver last year. The conference openly discriminated against a segment of our society on the basis of race, and it did so with public money.

Robert Fulford wrote at the time: "The idea of the Writers Union reinventing apartheid for any purpose would have been beyond belief". Unbelievably, when the issue broke in the media, associate director of the council, Brian Anthony, dared to defend the grant. He said that support to such conferences that seek solutions to the problem of systemic barriers, whether they be gender, cultural, artistic or race related, is an essential step in bridging the gap between artists and the public.

These are not the viewpoints of the Parliament of Canada and they are not contained in the statutes that created the Canada Council. However there is no holding the council to account for this outrageous action.

A further example of waste at the council came to light last week when it was revealed that the agency's director is receiving a $1,300 a monthly stipend in addition to his generous salary which is something between $110,000 and $130,000. The allowance in lieu of moving costs is given to the director because he lives in Montreal and commutes to Ottawa to work. My suggestion to the heritage minister is to find a bureaucrat who is willing to move to Ottawa and so save the taxpayers some hard earned dollars.

I was interested to find that the council receives $98.4 million from federal taxpayers each year. Believing that the council was a granting agency, I was shocked to learn that of the 98.4 million in tax dollars, the council spends $21 million on administration. It would appear that the 248 full time cheque writers at the council have managed to create quite a bureaucracy since it was formed in 1957.

Accountability to Parliament over the years might have prevented the current situation from developing and could help the organization to downsize efficiently along with the rest of government as the recent budget requires. A clear corporate vision with financial accountability would help to avoid the paper shuffling and internal policy development that now go on.

There has been a great deal of controversy surrounding the purchase of some paintings at the National Gallery recently. A few of the paintings were reported to be worth millions of dollars, even though they appear simplistic to the untrained eye. The question many have asked me because of the controversy is: Were the paintings a waste of tax dollars? The debate that follows usually centres around a question of how art is defined.

According to the Canada Council Act the object of the council is to foster and promote the study and enjoyment of the arts. I believe part of the answer about how art is defined is found in the following phrase. The key word is enjoyment. If Canadians do not like it, if they get angry and upset that their tax dollars are frittered away on such items, enjoyment is lost.

If my constituents come back from Ottawa upset after a visit to the National Gallery, how can we say that value for their money was achieved? We certainly cannot justify it by the statute definition because they felt resentment and not enjoyment as the law requires.

Many proponents of art try to brush off these criticisms and suggest that people such as my constituents simply do not understand art. While this may or may not be true, it is not relevant to whether such art should be funded by tax dollars. If a large majority of my constituents believe that our scarce tax dollars would be better spent on medical research, national defence or policing, I am happy to support their position.

The Reform Party has developed a policy on cultural industries that will affect the Canada Council, the National Gallery and other arts bodies. The Reform Party will promote the freedom of the Canadian cultural community to develop and grow without needless protection and government regulation, encouraging a free cultural market that offers choice while lowering cost to consumers as services are provided by the sectors that are able to do so most cost effectively. This is our vision of how culture should develop.

• (1850)

Our vision of a new and better Canada allows Canadians to use their own judgment in picking winners and losers in the cultural marketplace. This already happens to a large extent.

If we look at the Canadian television industry we see two private national broadcasters that both manage to make a profit most years. Then we have the CBC which is mortgaged to the hilt and costs over $1 billion a year. The major reason two are winners and one is a loser is based on incentives or lack of them. The winners must produce programming its audiences want to see. The loser can produce whatever it wants and then forget all about the consumer because it already has its funding kindly appropriated by Parliament.

Reform policy would place the government sponsored loser in a situation where subsidies are weaned away and the future of the company is based on consumer satisfaction.

I received a card a few weeks ago, as did all MPs, that asked me to imagine Canada without musicians, painters, writers and other artists. The card implied that without the Canada Council we would lack culture and imagination.

Canadians have culture and imagination in spite of the Canada Council. Our art galleries, theatres, music halls and libraries are full of examples of Canadian culture and imagination that existed long before the Canada Council was ever conceived. No grants were handed out prior to 1957 yet artists have flourished in Canada for centuries.

I was elected on a platform of accountability. I promised my constituents I would represent their concerns before all other considerations. I also promised to help put in place the kind of democratic reforms that would hold myself and other elected officials accountable to the people who elect them. If Parliament is to be responsible about spending tax dollars I believe there must be a direct accounting from all those who receive funding.

The Canadian taxpayer is demanding accountability. The bill moves us in that direction and I ask all members for their support.

Mr. Nick Discepola (Vaudreuil, Lib.): Madam Speaker, I too am pleased to speak on Bill C–263, an act to amend the Financial Administration Act and other acts in consequence thereof, especially with respect to exempted crown corporations.

The bill as presented would remove exemptions from the application of divisions I to IV of part X of the Financial Administration Act for five crown corporations, the corporations being the Canada Council, the Canadian Film Development Corporation, Canadian Wheat Board, International Development Research Centre and the National Arts Centre Corporation.

I believe all members agree that part X was designed to achieve an appropriate system of accountability and control for all crown corporations. The need for such a system was highlighted by the auditor general in his 1979 and 1982 annual reports to the House. The Auditor General reports noted that three main parties effectively participated in the corporate accountability process: Parliament, government and the boards of directors and senior management of the entity involved.

Part X clearly establishes that corporate management was empowered to be responsible for acting in the best interest of the corporation and its day to day operations. At the same time part X ensures that shareholders' rights and objectives are duly considered.

Increasing globalization of trade and recessionary forces have pressured both private sector and crown corporations to be more competitive and efficient. Additionally crown corporations must also achieve the public policy objectives for the reason that their statutory mandates remain respective of taxpayers' dollars.

The government recognizes that crown corporations served the public interest in a business environment. They are expected to use the best available private sector business practices and in practicality are treated in the same manner as private sector firms.

Having rules to govern accountability is one way to cement the expectation. These rules also make roles very clear.

[*Translation*]

Until 1983–84, the Financial Administration Act did not clearly specify these roles. Because of the resulting lack of co–ordination, it was impossible to ensure effective control or properly account for certain activities such as the creation of new crown corporations and making financial commitments for which, in the end, the government would be responsible.

[*English*]

In 1984 the Financial Administration Act was amended to address these shortcomings and part X as we know it came into existence.

• (1855)

[*Translation*]

Under part X, a crown corporation annually submits a corporate plan specifying all its projects and operations, including its investments and those of affiliates of which it is the sole shareholder. The crown corporation must describe the mandate of the corporation, its objectives for the duration of the plan and the strategy for achieving those objectives. It is also required to do a comparative study of projected results and annual objectives.

[*English*]

Corporate plans of crown corporations subject to part X require annual approval by the governor in council. Corporations may not carry on any new business or activity that is not consistent with an approved plan.

As well, once a corporate plan receives approval its summary must also be tabled in Parliament by the appropriate minister.

This element of planning and planning approval was regarded as a progressive part of part X of the system.

[*Translation*]

This accountability framework was not ideal for all crown corporations. The 1984 legislation contained exceptions which may be found in subsection 85(1) of the Financial Administration Act. Under this subsection, seven crown corporations are not subject to part X.

[*English*]

Along with the five corporations mentioned in Bill C–263, subsection 85(1) includes the Bank of Canada and the Canadian Broadcasting Corporation. In addition, the legislation that has been passed but not yet proclaimed would create another crown corporation exempt from part X, the Canadian Race Relations Foundation.

The grounds for exemption are significant and relate to the uniqueness of corporate mandates. The 1984 inclusion of the CBC was due to its uniqueness as a corporation. It required arm's length protective measures although not from the rules of good planning and accountability but from the possibility of political interference in the actual day to day business choices.

[*Translation*]

Subsequently, in 1991, amendments to the Broadcasting Act integrated many elements of part X in the legislation governing the CBC, while maintaining the arm's length position of the corporation. The auditor general felt this was a step in the right direction, since he had expressed his concern about the exemption.

[*English*]

Some of the remaining exemptions follow certain part X rules on a voluntary basis. Progress in accountability has been made outside part X. Bill C–263 is well intentioned. Although there may be merit in bringing other exemptions under a modified form of accountability framework similar to the part X regime, I suggest that additional work be done first.

For example, Bill C–263 contains the provision that employees of the National Arts Centre, Canada Council and International Development Research Centre become members of the public service.

Why does the bill aim to increase the size of the public service? Bill C–263 has clearly not addressed all the issues. The bill does not respect the fact that corporate independence in certain sensitive areas needs to be protected.

[*Translation*]

In the past, it was felt that it was necessary to maintain corporate independence and to avoid excessive controls as opposed to providing for an acceptable accountability framework.

For instance, the museums, which are crown corporations, are subject to the provisions on accountability in part X. However, under the museum's enabling legislation, no guidelines may be imposed that would affect their decisions on the acquisition and dispersal of works in their collections.

Similarly, one cannot impose guidelines on the CBC that would encroach on its journalistic freedom.

[*English*]

Specific wording in section 27 of the museums legislation states:

> No directive shall be given under section 89 or subsection 114(3) of the *Financial Administration Act* with respect to cultural activities, including
>
> (a) the acquisition, disposal, conservation or use of any museum material relevant to its activities;
>
> (b) its activities and programs for the public, including exhibitions, displays and publications; and
>
> (c) research with respect to the matters referred to—

● (1900)

I ask if there are better ways to ensure accountability for those crown corporations named in this bill.

Subject areas such as auditing, corporate governance, financial management and control, corporate planning, reporting to Parliament and borrowing plans have been thoroughly addressed in part X of the Financial Administration Act. It has resulted in a system which according to the Auditor General is working well.

This system does not rule out modifications which are prepared to meet the specific circumstances of the majority of exempt crown corporations. Whether this is best achieved through one bill or through a series of amendments to existing statutes for each crown corporation is something we may need to further explore.

[*Translation*]

In concluding, I am convinced that every effort will be made to achieve the ideal combination of accountability and the arm's length relationship enjoyed by crown corporations that are exempted, and that Canadians will continue to consider this to be in the public interest.

[*English*]

In closing, I cannot recommend support for this bill, despite its valiant effort.

Mr. John Williams (St. Albert, Ref.): Madam Speaker, I rise to speak on Bill C–263 sponsored by my colleague from Okanagan—Similkameen—Merritt regarding bringing five crown corporations under part X of the Financial Administration Act. These five crown corporations are the Canada Council, the Canadian Film Development Corporation, the Canadian Wheat Board, the International Development Research Centre and the National Arts Centre Corporation.

Why would my colleague suggest that they come under part X? It is because part X of the Financial Administration Act requires a corporation to submit an annual report, a corporate plan, and budget summaries to be tabled in Parliament. It seems fairly simple to me that we would want to have that information from crown corporations. Therefore, it seems perfectly reasonable that we would want to put them under part X of the act.

The section also allows the Auditor General of Canada to conduct special examinations once every five years. A special examination is a value for money audit. There are auditors in these crown agencies and external auditors, but it is only the Auditor General of Canada who does value for money audits. When we are spending money by the billions in this country, a lot of it being wasted, it sure is good for Parliament and Canadians to know that somebody is taking a look at these crown corporations to find out if we get value for our money.

I have just come from a public accounts committee meeting. Every time a department or crown corporation comes before us we find that management has been lackadaisical and unfocused. We find there is no real commitment to maximizing the benefits for the money which has been spent. Therefore, I cannot think of any better thing than bringing them under part X of the Financial Administration Act, even if it is only to get a value for money audit once every five years.

This bill will bring greater accountability for taxpayers' dollars. It would ensure that Canadians achieved value for their money.

I understand and I have heard from members on the other side that these corporations are exempted because they are cultural crown corporations and they need independence but I cannot buy that argument. The fact that they are involved in the cultural aspects of our society is absolutely no reason whatsoever that they be exempted from good management, fiscal responsibility and accountability both to this House and to the Canadian people. Therefore, there is no valid reason whatsoever that they should not be included in part X of the act.

I do understand that there are two crown corporations that are also exempt from part X of the act. The private member's bill does not require them to be brought under part X.

• (1905)

One is the Canadian Broadcasting Corporation and it is already subject to similar requirements of part X under the Canadian Broadcasting Act. The other one is the Bank of Canada. Of course, we know it is absolutely vital that the central bank maintain its independence which is critical for the proper conduct of monetary policy. There is no doubt that we can leave these two corporations exempt and bring the other five in to obtain this greater accountability.

There were 42 other crown corporations included under the Financial Administration Act in 1984 and it certainly has not done them any harm. I understand it has resulted in improved management. Of course, the whole argument being put forward here is improved management and greater accountability. In 1993 the auditor general stated that the requirements for planning, strategy and cost systems resulted in improved management practices for these non–exempted crown corporations.

The auditor general also supports the idea of greater accountability. If I may quote from his 1991 report, section 4.100, he said: "The office strongly supported the strengthened legislative framework for crown corporations, and it is continually urged that those crown corporations that were exempted from part X of the FAA be brought into line with its accountability provisions. It is important that Parliament have assurances that appropriate accountability provisions apply to all crown corporations. When exemptions are granted, means should be found to ensure adequate control and accountability".

More recently the finance minister stated: "The operations of various other cultural agencies, commissions or corporations will be reviewed to reflect tighter fiscal circumstances". That was a quote from the 1995 budget, page 104. When the Minister of Finance calls for greater accountability, I cannot think of any greater way he could achieve that than to support this private member's bill.

We listen to the government side giving us all the reasons it should not be. There are all the reasons from the Bloc because it is culture and therefore it should be exempt from all kinds of examination allowing them to do whatever they want as far as Quebec is concerned. We therefore need to have the accountability for Canadians that they deserve. They are the ones who put up the money. They are the ones who have to dig deeper and deeper every year so that these crown corporations can spend money on culture.

Remember back to the big outrage we had in the National Art Gallery a few years ago with the "Voice of Fire". A couple of million dollars was spent for a piece of canvas painted red and blue. Or was it red and white? Or red and green? I cannot remember. It made a great impact upon me.

An hon. member: Yellow and green.

Mr. Williams: Yellow and green. I think we will have to take a vote on this. It seems that I do remember red. These are the types of things the Canadian public want to know about.

Accountability cannot be oversold in this day and age, when we have a debt of $550 billion and a Minister of Finance who adopts a policy of gradualism to deal with a budgetary crisis. I

think this bill has to be supported. It should be supported because it makes sense.

The Auditor General talks about accountability. The Minister of Finance talks about accountability. The Reform Party talks about accountability. Surely, we should get all kinds of co–operation and perhaps even all–party support on this bill.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Madam Speaker, it is my pleasure to speak this evening on the bill presented by the hon. member for Okanagan—Similkameen—Merritt.

I believe wholeheartedly, as do all of my colleagues I hope, that the objectives of the bill are well intended. I am in favour of ensuring that accountability for all of our crown corporations is adequate.

• (1910)

Before indicating whether or not this bill should be supported, I want to examine it objectively and in some detail. What we want is responsible accountability. This is a fairly technical bill.

We are talking about a bill that has as its basic purpose the removal of exemption from application of divisions one to four of part X of the Financial Administration Act for five crown corporations. These are the Canada Council, the Canada Film Development Corporation, the Canadian Wheat Board, the International Development Research Centre and the National Arts Centre Corporation.

[*Translation*]

The accountability framework set out in part X is widely viewed as being very well designed and progressive. However, it has some shortcomings where some crown corporations are concerned. The act passed in 1984, which first included part X, contained exemptions which are now found in subsection 85(1) of the FAA. This subsection exempts this crown corporation from the provisions of part X, which deals with operations.

[*English*]

As I said earlier, this is not bedtime reading. It is a fairly technical bill. Along with the five corporations named in Bill C–263, two other crown corporations are exempt, the Bank of Canada and the CBC. In addition, legislation has been passed but not yet proclaimed that would create another crown corporation exempt from part X, the Canadian Race Relations Foundation.

Perhaps when examining what Bill C–263 is trying to accomplish hon. members should also be willing to examine the grounds for exemption. Why were these particular crown corporations exempted from part X when others were not? This is an important fundamental question. While not found in any written or formal criteria or regulation, the reasons for exemption reflect some of the very special sensitivities in the relationship between the government and these particular corporations.

I note that all of these corporations were created by special acts. All have mandates carefully specified in these acts and for some they involve administration of resources provided by third parties.

The Canada Council as an example is mandated to foster and promote the study, enjoyment and production of works in the arts and to co–ordinate United Nations Educational, Scientific and Cultural Organization activities in Canada and Canadian participation in various UNESCO activities abroad. Part of its activities involve administering an educational fund created by its act and other funds established through private donations.

Certain of these funds specify the payment of grants and scholarships in the arts field "in such manner as the council shall determine". Would contributors to these funds feel as comfortable if the Canada Council were not an independent crown corporation?

[*Translation*]

I believe that the hour reserved for consideration of this bill at this time is drawing to a close, so I will finish in the next hour of debate.

[*English*]

The Acting Speaker (Mrs. Maheu): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper and will come up again for a third hour.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

ROYAL CANADIAN MOUNTED POLICE

Mr. Svend J. Robinson (Burnaby—Kingsway, NDP): Madam Speaker, on February 7, over 500 members of the RCMP marched for the first time in history here on Parliament Hill to denounce the attempt of the Liberal government to deny them their fundamental constitutional rights to free collective bargaining and in fact to even punish them for talking about collective bargaining.

• (1915)

The next day I asked a question in the House of the Solicitor General. I asked him to explain why the government intended to proceed with Bill C–58, legislation that would clearly deny the most basic rights of members of the RCMP.

At that time the minister stated that the bill does not add to the powers of the commissioner and it does not take anything away from members of the force.

The bill has now gone to committee, has gone through committee and has been reported back to the House. What is very clear is that statement of the minister suggesting the bill does not take anything away from members of the RCMP is completely and utterly false.

What the bill does very clearly is deny and override the effect of the 1994 judgment of the Federal Court in the Yvon Gingras decision. Pursuant to that decision it was clear RCMP employees are guaranteed certain rights under the Public Service Staff Relations Act. In other words, the commissioner of the RCMP was not free to simply rule arbitrarily with respect to all working conditions of members of the force.

In addition there is a strong argument that part II of the Canada Labour Code, the provisions with respect to occupational health and safety, are guaranteed now prior to the bill to members of the RCMP.

The effect of this legislation, this draconian bill, is to take away those existing rights. The bill may as well dramatically affect entitlement to other benefits, to other entitlements such as the bilingualism bonus which will now be completely discretionary.

The current provisions of governing labour relations within the RCMP are totally unsatisfactory. The divisional staff relations representative system has been vigorously condemned by among others the E Division Members Association from British Columbia and the C Division. I want to pay tribute in particular to the president of the E Division Members Association, Michel Funicelli, and members of his executive.

[*Translation*]

I would also like to pay tribute to Mr. Gaétan Delisle who has been fighting in Quebec for some time now for the rights of members of the RCMP stationed in that province.

[*English*]

Also the Canadian Police Association and its executive officer, Scott Newark, who have worked long and hard to expose this attack on the basic rights of members of the RCMP.

I am calling today on the government to realize it has made a mistake, to come to its senses and to back off on this legislation, to allow members of the RCMP to make their own decisions about their future, about their labour relations.

This bill would eliminate any possibility of third party intervention in employee–management relations. It would basically put all power in the hands of the commission. It is a bad bill. I call on the government to withdraw it now.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, the hon. member for Burnaby—Kingsway says Bill C–58 will if passed deny RCMP members collective bargaining rights.

RCMP members have never had the legal authority to enter into collective bargaining. How can they possibly be denied these rights by the passage of this bill if the right is one they never had? He is misleading the Canadian public when he makes that statement. They have never had the right to engage in collective bargaining. Therefore they are not being denied these rights by this bill.

Collective bargaining is not a natural or inherent right but a right granted by Parliament. Collective bargaining rights have never been extended to RCMP members under either the RCMP act, the Public Service Staff Relations Act or the Canada Labour Code.

The Solicitor General has repeatedly said Bill C–58 has one purpose and one purpose only, to confirm the status quo that existed before the Gingras decision and with regard to the management of the RCMP.

Mr. Robinson: Point of order.

Mr. Milliken: The hon. member knows there are no points of order during the adjournment debate.

That continues to be the case. Collective bargaining is a completely separate issue from Bill C–58 and would have to be looked at by both the government and Parliament as a separate matter. The RCMP already has its own labour–management forum for members to raise and discuss issues of concern regarding forced management.

Created in 1974, the RCMP division staff relations representative, the DSRR program, was intended to respond to concerns expressed by members for greater involvement in management issues. That program has proved to be successful and workable—despite the assertions of the hon. member for Burnaby—Kingsway—at which members at all levels can voice their opinions through representatives elected by the force's general membership across Canada, regardless of rank, category or grade.

• (1920)

Each division elects at least one full time representative and two part time representatives. These people met three times with the Solicitor General in the last 14 months. They continue to meet. The system works well and the RCMP members are represented well at those meetings with the Solicitor General.

INDIAN AFFAIRS

Mr. John Duncan (North Island—Powell River, Ref.): Madam Speaker, for the past 16 months the Minister of Indian Affairs and Northern Development has been consulting with

native leaders and native groups across Canada on the issue of native self–government.

To date the minister has provided funding to national and regional native organizations in the amount of $5 million to assist these groups in preparing their briefs and input on the consultation process. The consultation was to last six months and culminate in a report on self–government.

Last week, the national chief of the Assembly of First Nations, Ovide Mercredi, called a press conference to protest the minister's procrastination and to ask him to release a document that he said the minister was using in his meetings but keeping secret from the Assembly of First Nations and others.

Chief Mercredi released copies redone from memory of the minister's document that Chief Mercredi was allowed to read and that the minister allowed to be read to a meeting with Alberta chiefs in Calgary.

I am concerned with the minister using and allowing the contents of this still secret document in meetings and not being forthcoming with the House and Canadians on an issue that affects us all.

On March 23 and again on March 24, I questioned the minister on the contents of the document. I asked him the nature of the document and why parliamentarians had to rely on the chief of the Assembly of First Nations to shed light on this undertaking and make the process public. The minister told the House on March 23 that it was not a secret document. If it is not a secret document, the minister should release it today.

My further concern was with the delay in completing the projected six–month undertaking which has now run over 16 months. I am concerned that the consultation on the inherent right to self–government does not become another aboriginal royal commission. That is now two years overdue and over budget with spending at $58 million from an original projected cost of between $8 and $12 million.

I am not satisfied that my question of March 24, taken as notice by the Minister of Intergovernmental Affairs on behalf of the minister of Indian affairs, will prompt the minister and government to finalize its consultation on self–government and to release the contents of what the minister has called "not a secret report" to Parliament and the Canadian people rather than only to individual chiefs and the Assembly of First Nations.

Mr. Jack Iyerak Anawak (Parliamentary Secretary to Minister of Indian Affairs and Northern Development, Lib.):

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

[*English*]

Madam Speaker, I am pleased to respond on behalf of the Minister of Indian Affairs and Northern Development to the question raised by the member for North Island—Powell River on March 24, 1995. More specifically I wish to reply concerning the status of the so–called secret federal document on the inherent right of aboriginal self–government; the $5 million price tag referred to by the hon. member; and finally when the federal government's consultations will conclude.

First, I wish to comment on the $5 million referred to by the member. That is the amount of funding provided by the federal government in 1994–95 to some 69 aboriginal groups across Canada to support their participation in the inherent right consultation process.

Second, the so–called secret document is personal speaking points that the minister is using in his discussions on the proposed general approach to the inherent right that federal ministers first set out in Quebec City in May 1994 at a meeting with their provincial and territorial counterparts and leaders of the national aboriginal associations.

These discussion points are intended to continue the minister's consultations with the parties concerned, aboriginal people, provincial and territorial governments and third parties, on how to proceed. The minister has used them extensively in his recent meetings with those parties.

The government has not yet taken any policy decisions. The Minister of Indian Affairs and Northern Development has clearly stated he wishes to ensure the views of all parties are considered before proceeding further. He has not picked a specific date for concluding his consultations. However, the minister has indicated he wishes to complete the consultations as quickly as possible. This will enable him to report back to his cabinet colleagues.

The Acting Speaker (Mrs. Maheu): Pursuant to Standing Order 38, the motion to adjourn the House is now deemed to have been adopted. Accordingly, it being 7.26 p.m. the House stands adjourned until tomorrow at 2 p.m., pursuant to Standing Order 24(1).

(The House adjourned at 7.26 p.m.)

HOUSE OF COMMONS

Wednesday, March 29, 1995

The House met at 2 p.m.

Prayers

STATEMENTS BY MEMBERS

[*English*]

GENERIC DRUGS

Mr. Jim Jordan (Leeds—Grenville, Lib.): Mr. Speaker, residents of my riding of Leeds—Grenville have expressed grave concern about skyrocketing health costs.

Approximately 40 people from the community of Merrickville have signed a letter to me indicating their support for an increased availability of generic drugs as one way of reducing health care costs.

It has been estimated that Canadians now have 36 per cent of their prescriptions filled with generic drugs. On average, generic drugs are 40 to 50 per cent less expensive. This saving is achieved without compromising the quality of health care.

The greatest concern of seniors in today's economy is that they will not be able to afford proper health care when they get sick.

Citizens of my riding are asking the drug manufacturers to respond to dwindling resources in health care by putting more prescribed drugs on the generic drug list.

* * *

[*Translation*]

CITY OF HULL

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, yesterday, when Marcel Beaudry, chairman of the National Capital Commission, appeared before the Standing Committee on Canadian Heritage, I made some exaggerated comments about the City of Hull to make the point to Mr. Beaudry that the NCC invariably passes over Hull in favour of Ottawa in the choices it makes.

Taken out of context, my remarks offended the people of Hull. I would like to apologize to them in this House. It really was not my intention to hurt anyone.

The tendency to inflated language, which sometimes afflicts those involved in politics, surfaced in my attempts to ensure that Mr. Beaudry, who makes no distinction between a Liberal Party fundraising dinner and a committee for a no vote fundraising dinner, really understood my explanation.

To the people of Hull, I again offer my most sincere apologies.

* * *

[*English*]

BOB'S BIRTHDAY

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I rise today on behalf of the constituents of Okanagan—Similkameen—Merritt to congratulate film makers Alison Snowden and David Fine for winning an Oscar at the Academy Awards on Monday night for their film "Bob's Birthday". Their success demonstrates that Canadian film projects can compete effectively in the global marketplace.

Reform members believe it is high time for the federal government to get out of the way and allow Canadian entrepreneurs to take their place as the producers of Canadian film projects.

Canada has proven that we can win Oscars. Let us do it without federal funding. Canadian taxpayers want to know why the Liberals continue to spend dollars to make films. Our film industry can stand on its own two feet and should be supported by the investment from Canadian entrepreneurs, not government subsidies.

This side of the House wants to congratulate "Bob's Birthday" for proving once again that Canadian film productions can prosper in a global marketplace.

* * *

GREEK INDEPENDENCE DAY

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, this past weekend a sea of Greek, Canadian and Quebec flags flooded my riding of Saint–Denis as over 50,000 Canadians of Greek origin celebrated Greek Independence Day.

It was a tremendous turnout with people from every generation dressed in national costume in celebration of their rich

heritage. It was also a day to be proud that we live in a country that recognizes the significant contributions that Canadians of Greek origin have made over the years.

We live in a country that celebrates its diversity and for which it has become the envy of the world.

[*Translation*]

We are all lucky to live in a country where diversity is something to celebrate. I think I speak for all Canadians of Greek extraction who want to continue to live and participate fully in the development of a country like Canada, an example to the world of generosity and open-mindedness.

[Editor's Note: Member spoke in Greek.]

* * *

[*English*]

NEW DEMOCRATIC PARTY

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, today in the Ottawa *Citizen* a former adviser to Ed Broadbent stated that the NDP must either be revived or declared dead. I would like to respond by stating that it is my sad duty to declare the NDP dead.

The New Democratic Party in the past has made valuable contributions to Canadian political debate. However its recent performance is showing it to be increasingly divided and irrelevant.

The current NDP seems bereft of ideas for dealing with the challenges of the global economy. As the article stated, it has been a long time since a member of the NDP has had anything innovative to say about Canada's economy. To quote: "They project no civic mission for the country as a whole, no intelligent reflection on the consequences of their mumblings and no credible grappling with contemporary issues".

Those hoping for renewal of the NDP are going to be disappointed. A party with no visionary candidates for its leadership is not in a position to begin to renew itself. No ideas, no leadership, no renewal, no party.

* * *

LAND MINES

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, one of the greatest barriers to international development efforts comes as a result of the devastating impact of buried land mines. I would like to draw to the attention of the House the fact that there are 110 land mines buried in 62 countries across the world. Each month 800 people, many of them children, die as a result of stepping on one of these.

The problem is getting worse because the international community can only clear about 100,000 mines in a year. In the same time frame nearly two million more are buried.

Land mines obstruct post-war reconstruction. In Angola, 25 per cent of the food production capacity is lost because farmers cannot get into the fields. In Mozambique, a serious drought has been exacerbated.

Land mines do not stop for foreign aid. They do not stop for development and they do not stop for peace. They are always at war. I call on our government to work carefully and closely with our international partners to find the solution to this modern day plague.

* * *

• (1405)

[*Translation*]

ALGERIA

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, Mohammed Abder Rahmani, the chief editor of the Algerian daily *El Moudjahid* was buried yesterday in Algiers. He is the 35th journalist to be assassinated in Algeria in the unending struggle between Islamic and government forces.

Mr. Abder Rahmani, the dean of the country's journalists, openly criticized the actions of armed Islamic groups. Intimidated and fearing for their lives, over 200 journalists have already fled the country.

These murders of people who have the courage to express their opinions, their ideas and their values, risking their lives in doing so, is an affront to us all. All too often, we remain silent and unmoved in the face of obscurantism and intolerance. We must denounce Mr. Abder Rahmani's assassination and see to it that his killers are brought to justice.

Voltaire said: "I disapprove of what you say, but I will defend to the death your right to say it". Freedom of expression is a fundamental value in our society. May all Canadians—

* * *

[*English*]

THE DEBT

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, recently I received numerous suggestions for getting Canadians to buy government debt now held by foreigners. While tax concessions or special interest rates can bring home the bonds, Canada's vulnerability to falling and fluctuating exchange and interest rates will not be eliminated.

First of all, the purchase of these government bonds from foreigners will crowd out other domestic securities. Therefore, net foreign indebtedness will not change.

Second, the existing vulnerability would exist even if foreigners held no Canadian obligations at all. Both foreigners and Canadians could still speculate in spot and futures markets.

The simple fact is that Canada's exchange and interest rates respond to news about the government's ability to service the debt. The downward trend in exchange rates will end, interest rates will stop rising and fluctuations will become less severe only when government deficits are eliminated.

As much as we all wished it were true, financial gimmicks cannot alter this basic truth.

* * *

MONEY SPECULATORS

Mr. Bill Blaikie (Winnipeg Transcona, NDP): Mr. Speaker, it was interesting to note the governor of the Bank of Canada said he was opposed to the Tobin tax. He did not think there was anything wrong with the effect that money speculators were having on national and regional economies.

I wonder whether this reflects the real position of the government. Over the last little while I have been asking the government to show some leadership at the G–7 in Halifax in trying to bring about a tax that might dampen speculation and in making some proposals for a new financial world order. It would be a sort of second Bretton Woods that would prevent money speculators from doing this kind of thing to our economy, to our dollar, or to anyone else for that matter.

What is it the governor of the Bank of Canada has in common with the money speculators? I think it is this. We could ask these questions of both of them: Who elected them? Who elected the governor of the Bank of Canada to make the policies he makes? And who elected the money speculators?

It is a democratic question. Who really runs the world, the money speculators and the banks or democratically elected parliaments like this one here?

* * *

[*Translation*]

FEDERALISM

Mr. Nick Discepola (Vaudreuil, Lib.): Mr. Speaker, a new study by two economists from the University of Calgary, soon to be published in the *Canadian Business Economic Journal*, shows that the Province of Quebec is the biggest winner in Canadian federalism.

The researchers compared the total amount of money that each province paid to Ottawa in the form of taxes, etc, with the amount of money directly transferred to each province over the last 32 years.

Between 1961 and 1992, Quebec has gotten $168 billion more out of the federal government than it put in in taxes and other payments to Ottawa. The province has netted an average annual bonus of $803 per person.

Quebecers are not gullible. And the polls prove it. The opposition's lame arguments are not winning over flocks because federalism is working in Canada, despite its imperfections, and Quebec benefits from it.

* * *

MEMBER FOR RIMOUSKI—TÉMISCOUATA

Mr. Raymond Lavigne (Verdun—Saint-Paul, Lib.): Mr. Speaker, the people of the Outaouais, in particular Hull residents, are still reeling from the shocking statement made by the Bloc member for Rimouski—Témiscouata yesterday.

• (1410)

Her statement was as follows: "Behind the wall, in Hull, which is the ugliest town I have seen on the face of this earth, if you look beyond the shadows of the buildings, all you will see are tenements". Obviously, the poor performance of the sovereignist propaganda machine is slowly making this Bloc member take leave of her senses.

Instead of continuing her bitter tirade, she decided to offer her apologies to the people of Hull. For this, I thank her.

* * *

MEMBER FOR RIMOUSKI—TÉMISCOUATA

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, in making her comments about the City of Hull, the hon. member for Rimouski—Témiscouata probably got carried away. She apologized and we thank her for that.

It is unfortunate that the radicalization of political options compels some elected officials to make such comments or take that kind of attitude when people—and, in this case, a whole region—do not share their vision of the future.

Must we remind Bloc members that not only local residents but the whole region take pride in the city of Hull.

The hon. member for Rimouski—Témiscouata was wrong. The region does not come under the responsibility of the national commission on Quebec's future but under the mandate of the National Capital Commission.

I proudly salute its chairman, Mr. Beaudry, for his commitment to his city, his region and his country.

* * *

CANADIAN FEDERATION

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, never in Quebec history have we seen Quebec members, in this case Liberal members, reject a motion to protect Quebec's political weight within the Canadian federation.

Yes, Mr. Speaker, Liberal and Reform members joined forces yesterday in an effort to defeat a Bloc Quebecois motion recognizing Quebec's right to a minimum of 25 per cent of seats in the House of Commons.

This Bloc motion would have guaranteed a quarter of the seats to one of Canada's two founding nations and met Quebecers' historical and legitimate demands to maintain a minimum amount of political weight within the Canadian federation.

The attitude displayed yesterday by Liberal members is an example of double talk in that—

* * *

[*English*]

MEMBERS OF PARLIAMENT PENSIONS

Mr. Cliff Breitkreuz (Yellowhead, Ref.): Mr. Speaker, the Liberals just do not understand. Their promise to reform the big bucks for life club, euphemistically known as the MP pension plan, has gone by the wayside. Despite the token changes to the plan, MPs' pensions still have unlimited protection against inflation and will grow in value at a rate twice the legal maximum in the private sector.

If the Deputy Prime Minister retires in three years, she will stand to collect a cool $2.7 million until age 75. She fought to maintain her cushy pension plan, which comes courtesy of hard working Canadians.

Perhaps she fought so hard for her pension because she thought she would be forced to keep her promise and resign. We all remember when the Deputy Prime Minister said she would quit if the GST was not scrapped by her government. Lucky for her, she has an understanding boss who will let her keep her job, despite the millions of Canadian taxpayers who despise both the GST and the outrageous MP pension plan.

* * *

[*Translation*]

MEMBER FOR RIMOUSKI—TÉMISCOUATA

Mr. Mauril Bélanger (Ottawa—Vanier, Lib.): Mr. Speaker, yesterday, the hon. member for Rimouski—Témiscouata displayed her good taste in urban planning, and her appreciation of urban beauty in particular, a science the popularity of which would no doubt have increased dramatically following her statement, had it not been for her apologies today, apologies that the people of Hull graciously accept.

What the hon. member did not realize is that, in the Hull neighbourhood she referred to, we find "matchstick" houses, a style apparently unique to Canada.

Reporters must be very grateful to the hon. member who, time after time, week after week, has managed to make the news and shock at the same time. In a recent radio interview, the hon. member indicated she had considered an acting career. Well, in this case, she gave us a fine example of her talent as a comedian.

If the hon. member for Rimouski—Témiscouata did not already exist, she would have to be invented.

* * *

CITY OF HULL

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, let me tell you a thing or two about one of the most important towns in Quebec: the City of Hull.

With its numerous parks, the Museum of Civilization, the Maison du Citoyen, its golf courses and fine restaurants, Hull is a very nice place where very nice people live. Just to show how great a place it is, Hull even has a street named Boudria.

• (1415)

I encourage Bloc members to cross the river once in a while and visit the town where my ancestors and myself were born and take a good look. They will see a great community to live in.

[*English*]

The Speaker: Before we get into question period, generally speaking the Chair has always given a great deal of latitude in the statements made. I would encourage all hon. members to keep that in mind. It seems to me, as we come closer to individual attacks, that whatever words we use, we use them judiciously.

Also, I would like to remind you that you cannot reflect in the statements on a vote that has been taken. I just bring that to your attention for future reference.

ORAL QUESTION PERIOD

[*Translation*]

PEARSON AIRPORT

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, in the absence of the Prime Minister, my question will be directed to the Deputy Prime Minister.

The number of accusations is growing concerning the role played by the Liberals in the process of privatizing Pearson airport, including allegations that appeared recently in the *Financial Post* about a possible involvement of the Prime Minister himself. Today, an influential newspaper, the *Globe and Mail*, is demanding a public and independent inquiry to get all the facts on this murky business.

In view of the troubling allegations that question the integrity of the Prime Minister and of his government, does the government intend to establish a genuine commission of inquiry into the contract for the privatization of Pearson airport, something

the official opposition has been requesting for over a year and, in a major editorial, the *Globe and Mail* is asking for today?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, yesterday the Prime Minister himself made it clear that the allegations reported in the *Financial Post* were absolutely false, and there is nothing more to be said.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, it could not have been that clear since it did not convince the *Globe and Mail*, which today responded with an editorial on the subject.

I want to ask the Deputy Prime Minister whether she agrees that only a public inquiry, a genuine public inquiry, would make it possible to clear up any doubts about the circumstances around the contract to privatize Pearson and also about the decision of the government and of investigator Robert Nixon to keep under wraps, in other words, hide, an important report drafted in November 1993 by senior officials of the Department of Transport?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, yesterday, the Minister of Transport gave the facts on all the events that led up to this report. And if the Leader of the Opposition is so interested in the opinion of the *Globe and Mail*, why does he not call the referendum, as requested by this newspaper?

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, we are not playing games here. The government's ethics are involved, and this is a very fundamental issue.

Some hon. members: Hear, hear.

Mr. Bouchard: Any government should be ashamed of using the Quebec referendum as a diversion, to prevent the truth from coming out.

My question is straightforward, a question all Canadians and Quebecers are asking: Why does the Prime Minister stubbornly refuse to establish a commission of inquiry, if he or his government have nothing to hide?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I think the Leader of the Opposition has always been known as a man of honour. If he has any accusations to make against the Prime Minister, let him make them here in the House. And if he does not, it is dangerous to claim that certain facts were hidden, and coming from him, it is absolutely and totally irresponsible.

* * *

MONETARY POLICY

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, allow me to start with a quote: "Economic policies must not merely attack an individual problem in isolation from its costs in other areas. The Conservatives' single–minded fight against inflation resulted in a deep recession, three years without growth, declining incomes and skyrocketing unemployment".

• (1420)

My question is for the Minister of Finance. Are we to understand from this excerpt found in the Liberals' red book that the Minister of Finance does not agree with the statement made yesterday by the Bank of Canada governor, to the effect that fighting inflation through interest rate increases is the one and only priority of the Canadian monetary policy?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, there is no doubt that, when it formed the official opposition, the Liberal Party criticized the policy of the Bank of Canada governor of the day.

The country was going through a period of high unemployment and economic decline, so we certainly had to comment on the monetary policy of the time. But Canada is now first among the G–7 countries in terms of growth, and it has just created 433,000 new jobs. Clearly, the situation is now drastically different.

I do support the statement made yesterday by the governor of the Bank of Canada.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, the Minister of Finance is providing the very same answer as his Conservative predecessors, and he is implementing exactly the same monetary policy. The minister kept tearing up his shirts when the Conservatives applied the medicine which he is now pouring down Canadians' throats.

Does the minister realize that, by supporting a policy which is only geared to fight inflation, he is deliberately hurting job creation, and, consequently, he accepts unemployment rates of 9.5 per cent in Canada and close to 12 per cent in Quebec, where 417,000 people are without work?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, again, many new jobs were created in Quebec, during the months of January and February. In fact, even the Premier of that province confirmed that job creation in Quebec was very strong, thus contradicting the comment which the hon. member just made.

However, the issue is whether or not the Bloc Quebecois accepts the fact that we must set objectives in the fight against inflation. Our objectives are in the one to three per cent range. If the hon. member is not happy with them, then let him tell us which inflation rate he is prepared to accept.

[*English*]

NATIONAL DEFENCE

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, Anne–Marie Doyle may be gone from the Somalia inquiry but a serious unanswered question remains about how she ended up on the panel in the first place.

The Minister of National Defence has told the House that he personally named Ms. Doyle to the panel after reviewing the résumés of potential commissioners. Therefore, he should have no trouble in answering my question.

Who put Anne–Marie Doyle's name on the minister's list of potential commissioners?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I had occasion to review the transcript of *Hansard* and this question was put yesterday. I felt that I had answered it to the best of my ability. Perhaps I was not explicit enough for the hon. member for Calgary Southwest. I will attempt to clarify the situation so that he is satisfied.

I said yesterday that the name of Anne–Marie Doyle had come to my attention as someone who had served with great distinction at the OECD. It was I who put her name forward. I felt that she was a good choice.

Before I gave that answer, the hon. member asked if I could assure the House that the former deputy minister, Bob Fowler, had nothing to do with framing the terms of reference of the inquiry and played no role whatsoever in proposing the name of Anne–Marie Doyle as a possible panel member. I answered those questions but perhaps not clearly enough for the hon. member. In both cases the answer is no.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the minister just said that this name was brought to his attention.

My question is, who brought this potential commissioner's name to the your attention?

The Speaker: Colleagues, I would remind you please always to address questions to the Chair rather than directly to one another and your answers the same way.

• (1425)

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I said yesterday and I say again today, quoting from *Hansard*: "The name of Anne–Marie Doyle had come to my attention as someone who had served with great distinction at the OECD".

As ministers, we are aware of many distinguished public servants working for the government now and also past public servants. I thought it would be good for the composition of the inquiry to have someone from the bench as the chair; someone from the field of journalism who was retired but who had some credibility as a member, and also someone who knew the workings of the government but specifically how foreign policy and defence policy were discharged by the government. I started looking at those kinds of people within the public service as well as former public servants.

I knew of Ms. Doyle's previous involvement in the Privy Council office as someone who had that particular dossier. When I asked for greater details about her career, it became obvious that she was someone of outstanding reputation who could discharge that position.

Had she continued to serve, I believe she would have discharged her obligations fully to the best of her abilities and as a credit to the commission.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, the minister's refusal to answer the question undermines confidence in the inquiry.

Yesterday the minister also stated that the Judge Advocate General helped him to draft the terms of reference of the Somali inquiry.

As the minister knows, the Judge Advocate General works with, and some would say for, the chief of defence staff and the deputy minister of defence. In effect the Judge Advocate General is part of the same military hierarchy that the inquiry is to investigate.

How big a hand has the national defence hierarchy had in drafting the terms of reference of the Somali inquiry? How can Canadians be assured that this involvement has not already prejudiced the inquiry?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member for Calgary Southwest displays a profound ignorance of the National Defence Act.

First, the Judge Advocate General is appointed by the Prime Minister of Canada. It is an order in council appointment because that person must be independent in the advice he or she gives to ministers. That person is the chief legal officer in the Canadian Armed Forces.

Under the terms of the National Defence Act that person reports on a day to day basis to the Minister of National Defence. It was quite appropriate for me in the course of the last year to discuss aspects of the Somalia case with the Judge Advocate General, as his role under the National Defence Act explicitly says that he should be the one giving legal advice to the minister.

I verified certain aspects with the Judge Advocate General this morning because I wanted to make sure that anything I say on the floor of the House of Commons is absolutely and totally the truth. The government has the interests of all Canadians in mind in getting to the bottom of the events in Somalia in 1993.

The Judge Advocate General confirmed that the former deputy minister had nothing whatsoever to do with the drafting of the terms of reference. They were submitted to the Privy Council office. They were reviewed by the Department of Justice and everyone stands by them.

* * *

[*Translation*]

AIR TRANSPORT

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, on Monday, in reply to a question in the House from the Leader of the Opposition, the Minister of Transport said that his decision to delay Air Canada's access to Hong Kong market was connected to a similar decision involving Canadian's access to the German market. These are two separate issues. In the case of Hong Kong, negotiations were successful. Air Canada said it was ready to start operations this summer and has even negotiated landing slots.

My question is directed to the Minister of Transport. In the case of Hong Kong, could the Minister tell us what other reasons, aside from Canadian's access to the German market, would prevent him from letting Air Canada start its operations on this market in the summer of 1995, since everything is in place?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the hon. member knows perfectly well that negotiations with the Hong Kong airport authorities were concluded only a few days ago.

• (1430)

When we decided to establish a level of 300,000 passengers before identifying a second destination, we made sure that there would be two locations on this planet where this rule would come into force this year: in Germany and Hong Kong.

As I have already pointed out, for the past 14 months Air Canada has had access to Japan, a market this airline has coveted for a very long time. It is now able to prepare for its arrival in Hong Kong, another very important market. For Canadian Airlines International, which needs landing rights in Germany and other destinations in Asia, it is also very important to be able to plan ahead and have some certainty when agreements are negotiated, not only with these countries but also with the financial institutions that support these airlines.

I still say that, after all, Air Canada president Hollis Harris said publicly that he appreciated the work done by a government that opened these markets to Air Canada for the first time in its history.

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Mr. Speaker, would the minister not agree that it was his eagerness to accommodate Canadian that led him to delay Air Canada's access to the Hong Kong market, in the process delaying the creation of 500 jobs with this airline, including a large number of jobs at headquarters in Montreal and at the Dorval maintenance centre?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the Canadian aviation industry would explain to my hon. friend that the progress we have made in the last 14 or 15 months is unparalleled in Canadian aviation history.

We have been able to arrange a situation in which as of the end of this year every allocation of an air route in this country will be absolutely transparent. There will be conditions and criteria that allow for Canadian Airlines International and Air Canada to plan, to purchase aircraft, to lease aircraft, to do their marketing in an atmosphere of certainty unheard of in the aviation industry in Canada.

The proof of that is even before we announced the second designation based on the 300,000 passenger level, Air Canada had already indicated it was in the process of hiring nearly 1,000 new employees: pilots, attendants and people who work in maintenance and on ground activities.

I understand the hon. member's distaste for the progress we have been able to make. The airline industry in Canada is in better shape today than it has been for the last 20 years.

* * *

PEARSON INTERNATIONAL AIRPORT

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, more unanswered questions have surfaced surrounding the Pearson airport deal. A Transport Canada report dated November 4, 1993 contradicts the Nixon report. A Deloitte & Touche report and a Price Waterhouse report contradict the Nixon report.

Questions have been raised concerning the Prime Minister's private meeting with Jack Matthews and Charles Bronfman, two key players in the Pearson deal.

It is time to lift the fog over Pearson. Will the government order an independent judicial inquiry into the cancelled airport deal?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Prime Minister spoke to the allegations very clearly in the House yesterday.

I want to challenge the hon. member, as I challenged Leader of the Opposition. If they have allegations to make, stand like a man and make them here in the House instead of hiding behind some scurrilous newspaper claims that have absolutely no foundation in fact.

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I challenge the government to stand in the House and answer the questions the Canadian people want answered.

If the government has nothing to hide, why is the Prime Minister's former law office refusing to give Mr. Matthews documentation of his meeting with the Prime Minister? The only thing clear in all of this is that Canadian taxpayers are again paying the price for political games of Tory and Liberal insiders.

I ask the Deputy Prime Minister again, for the sake of integrity will she order an independent judicial inquiry? Will the Deputy Prime Minister give this commitment now to the Canadian people? They demand it.

• (1435)

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, logically speaking, if the Prime Minister was supposedly in the pocket of these companies involved, why had he the guts to say no to the deal?

* * *

[*Translation*]

CRIMINAL CODE

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, yesterday, the Minister of Justice stated that, if anti–gang legislation would give the police the tools they needed to combat criminal gangs, he would introduce one. Experts from the SPCUM, the Quebec police force and the Quebec unit of the RCMP have been calling for such legislation for a year.

Rather than simply pay lip service, as he did yesterday, how can the Minister of Justice hide behind the current provisions of the Criminal Code and refuse to incorporate anti–gang provisions, as Italy, France and the United States have done?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the important thing is to get the job done; to provide the tools to the police and the prosecutors to detect, prosecute and punish crime.

We have had a request for an amendment to the code with respect to gangs involved in criminal activities. As I told the House yesterday in response to a question on the same subject, I am looking at the question, as is the Solicitor General.

Our departments are examining amendments to the code that might be of help. When we conclude that assessment we will respond. In the meantime, I have invited the hon. member if he has a proposal to put in respect of specific amendments to let me have it. He assured me he will.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, are we to understand that the Minister of Justice is rejecting measures that would make the work of the police easier because he is unable to deliver the goods, as was the case in other matters such as genital mutilation, support payments and discrimination based on sexual orientation?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, this gamesmanship is both tedious and uncharacteristic. I wish the hon. member would focus on the answer to the question he has put. It is a serious matter.

The police have asked us to consider an amendment to the code which would provide for criminalizing certain organizations. That is not something one does with the snap of a finger or without taking care with the language.

We also have to be concerned about motorcycle groups, for example, that are not criminal, that are quite legitimate. We also have to bear in mind that police already have some 800 sections of the Criminal Code to deal with today.

We will look at the question seriously. We will do the responsible thing. If the hon. member has a specific proposal for language, I have already asked him to provide it to me. I will give it due consideration.

* * *

PEARSON INTERNATIONAL AIRPORT

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, yesterday brought to light a covered up government document stating cancelling the Pearson development contract would cost the taxpayers of Canada up to $2 billion.

Another secret document provided to Robert Nixon in October 1993 states: "Crown rate of return considerably better than the crown construction option and the PDC return on investment endorsed as reasonable rate of return by both the finance department and an independent financial consultant".

My question is for the Minister of Finance. If all these documents are wrong, where is the documentation showing this? When will the minister table this documentation in the House?

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the document the hon. member refers to as being covered up is one that obviously was covered up as far as he was concerned. He has not bothered to take a look at the documents made public in December of last year dealing with the case before the courts.

One thing the hon. member would want to refer to in looking at the documents and the opinions expressed therein is that the people who determined that Paxport was the appropriate offer to

accept on the basis of the privatization plans for Pearson would also have to take into account that only a few months after that recommendation was made, those people were unable because they were financially incompetent to proceed with the deal.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, in response to my question yesterday the minister suggested I talk to the ADM who was not privy to this report.

• (1440)

Not only was the ADM privy to the report, he provided the October report to Mr. Nixon. The facts do not substantiate the remarks made by the Minister.

When will the minister stop hiding the truth in this matter and come out with a full public inquiry? What is he—

The Speaker: Order. In question period we refer to the word truth. I would ask the hon. member in this instance to please rephrase his question.

Mr. Gouk: Mr. Speaker, I will withdraw it from the way it was phrased and simply ask the minister when will the full truth be brought out—

The Speaker: It is out of order. The hon. member for Verchères.

* * *

[*Translation*]

TURKEY

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, my question is for the Deputy Prime Minister.

With Turkey continuing its military offensive against the Kurds in northern Iraq, the Canadian government still has no official policy on the matter. Moreover, as the government embarks on negotiations with Turkey for the sale of CF–5s, Germany is suspending delivery of military materiel destined for Turkey.

My question is very simple: Does the government intend to follow Germany's example and suspend all deliveries or sales of military materiel to Turkey and to break off negotiations on the sale of the CF–5s to Turkey?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I have answered in the House a couple of times that there are no formal negotiations going on. The Turkish government has expressed some interest in the disposition of the CF–5s. This is not unusual since a number of years ago it received surplus planes from us.

As a NATO ally we have to entertain at least its interest. There are no formal negotiations going on. There is no deal pending. The Minister of Foreign Affairs has given the House every assurance that should we at any time sell any armaments, those sales will be under the strictest of controls.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, you would agree with me that there is something questionable about the minister's statement that negotiations are being held, but not formally.

In view of the seriousness of the present situation, and rather than continue waffling about how to treat the Turkish offensive against the Kurds, will the government not acknowledge that it should submit this delicate matter to NATO and to the UN Security Council?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, on the ongoing actions of the Turkish government with respect to the Kurdish minority in northern Iraq, the Minister of Foreign Affairs has addressed that in the House and has well established Canada's position on it.

With respect to the disposition of the CF–5 fighter planes, it is somewhat premature to discuss this because there is no deal pending. There is no sale pending. There has been only an indication of interest on the part of the Turkish government.

* * *

[*Translation*]

THE OUTAOUAIS

Mr. Bernard Patry (Pierrefonds—Dollard, Lib.): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs, and concerns both the statements made by the hon. member for Rimouski—Témiscouata regarding the City of Hull and her apology in the House. Will the minister confirm in this House that the Outaouais region is not a victim of economic discrimination?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, while the Parti Quebecois refuses to invest in western Quebec and only allocates 0.4 per cent of its budget to that region, the National Capital Commission invests 30 per cent of its resources in the Outaouais.

According to a 1993 survey conducted by the magazine *L'Actualité*, Hull has the second highest standard of living in all of Quebec and ranks first in terms of economic indicators. People who live in Hull or have businesses there will tell you that they are proud of their city, justifiably so. By making such a statement, the hon. member only betrays her own lack of knowledge of the City of Hull and her arrogance towards people

who do not share her political convictions and who believe in Canada.

Some hon. members: Hear, hear.

* * *

• (1445)

[*English*]

IMMIGRATION AND REFUGEE BOARD

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, the chair of the Immigration and Refugee Board admitted yesterday that public works had installed one or more surveillance cameras in the ceiling panels at the Montreal office of the IRB.

Yesterday she said, and the minister repeated it, that it was part of an RCMP investigation. However the RCMP denied installing the cameras.

I have a question for the immigration minister. If the RCMP did not authorize the camera installation, did the minister himself or the chair of the IRB? Or, if neither one of them, who did?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, a formal complaint was registered with the IRB. The chair of the IRB subsequently consulted both public works security that has responsibility for the building and the RCMP for a normal police investigation. The monitoring device was approved.

The criminal investigation is ongoing and I think it would be inadvisable to comment any further.

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, yesterday the minister said that the cameras were part of an RCMP investigation. The director general of the IRB said that the cameras were installed to investigate improper relationships between staff and somebody interested in IRB's business.

That could mean that someone on the outside was influencing refugee decisions or there was an attempt to restrict information flow from the IRB.

What was the specific nature of the investigation that required the installation of the cameras to watch someone for four months?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, the hon. critic used to be a police officer. I thought he would appreciate some of the finer details involved in any criminal investigation. Suffice it to say that a public servant is being investigated. It is not a board member appointed by the government. It is not an RHO official. It is not to spy on any officials in terms of how they do their business. Proper consultations have taken place. It is a criminal investigation. I do not wish to second guess the professional police authorities and will allow the investigation to continue as it should.

* * *

[*Translation*]

CANADIAN BROADCASTING CORPORATION

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, my question is for—

Mr. Young: Welcome to Hull.

Some hon. members: Oh, oh.

Mrs. Tremblay: Mr. Speaker, my question is for the Minister of Canadian Heritage.

Last week, Bloc members questioned the heritage minister about the CBC's prospects for the next three years. In responding to each question, the minister refused to confirm the budgets disclosed to Mr. Manera by his deputy minister, Mr. Rochon.

Now that the CBC has an acting president and that the minister has had the time to make inquiries, can he confirm the extent of the cuts that his government intends to impose on the CBC over the next three years?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, all the figures are in the budget and they are for one year. I said so before and I am pleased to repeat it. I hope that our colleague will understand the message.

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Mr. Speaker, does the Minister of Canadian Heritage confirm that the extent of the cuts he intends to impose on the CBC is such that they will again bring about the closure of regional stations?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I cannot, of course, confirm the impact of figures I did not put forward.

* * *

[*English*]

JUSTICE

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, on Monday, in response to a question about a court decision regarding the legality of orders in council used to prohibit firearms, the justice minister twice stated that the Alberta court decision was wrong. That was the Simmermon case. Other ministers have repeatedly told the House that they cannot comment on cases before the courts.

• (1450)

Why is he commenting? Is he trying to influence the courts in the matter?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, the fact is that the judgment has been appealed. We are taking the position in the Court of Appeal that the judgment was in error.

With great respect to the hon. member, there is nothing at all inappropriate about the government saying that it disagrees with the court judgment, and it is appealing it.

We will be making our arguments to the appellate court and we are confident that those arguments will prevail.

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Mr. Speaker, this confirms what I am saying.

The decision is being appealed by the Alberta government, not the federal government. It is my understanding that the federal government has not even applied for intervener status. Yet the minister says and continues to say: "We will pursue the appeal with every confidence that we shall win it".

The Attorney General of Canada has publicly vowed to pursue and win the appeal. How can the defendant ever get a fair trial?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, to begin with, what is at issue is the validity of an instrument created under federal jurisdiction. I am very confident that the federal interpretation of the law will prevail.

Second, the Alberta government, as the hon. member has just pointed out, agrees with the position. It is taking the appeal. It will argue the appeal and it will contend that the judgment should not stand.

Third, there is a world of difference between commenting on the facts of the case implicating the guilt or innocence of the accused person, which would be improper, and commenting on the legitimacy of a piece of legislation before the court on a legal argument as to validity. There is a world of difference and nothing improper at all has occurred.

* * *

HEALTH

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, my question is for the Minister of Health.

A recent Statistics Canada study indicates that women in Cumberland county have the highest rate of hysterectomies in the country. Because the rate is two to three times higher than the national average, because it is a costly invasive surgery removing the uterus, will the Minister of Health investigate to determine if these alarming statistics are unnecessary surgery?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, phenomena such as this occur across the country. While the issue of medical practice is largely a responsibility of provincial governments, the federal government has taken some initiatives in this regard.

In collaboration with provincial governments as well as national medical groups, Health Canada has developed guidelines for Canadian clinical practice. As well, the National Forum on Health is taking a close look at why patterns of medical practice differ across the country.

We are launching and have launched centres of excellence that will be looking at the entire issue of women's health. The government is determined to address issues of women's health that have been ignored for a very long time.

* * *

[*Translation*]

PUBLISHING

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, my question is for the Minister of Canadian Heritage. In the midst of the Ginn Publishing controversy, the heritage minister, we will recall, proved to be incapable of adequately looking after the interests of Canadian publishers. One year later, the minister does it again, announcing cuts in excess of 33 per cent to Canadian publishing development assistance and 71 per cent to grants for the distribution of new publications.

How can the minister justify such extensive cuts, which will hurt publishers, after his gross mishandling of the Ginn Publishing issue?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, let us not get ahead of ourselves here. We are in the process of reviewing programs, to see how they can be amalgamated to increase efficiency, and the stakeholders will be consulted in the process.

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, how can the minister claim to protect publishers when he is chopping programs specifically designed to offset losses resulting from the elimination of the postal rate on books and the introduction of the GST, two measures that are still in effect?

• (1455)

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, these measures were taken by the previous government. What I am saying is that we are looking at ways to replace these various programs with new and more efficient programs.

* * *

CANADIAN ARMED FORCES

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, given the Somali incident, the Petawawa videos and the low morale in the armed forces and the fact that the members of our armed forces are being forced to do more with less, what does

the Minister of Defence intend to do about the ten armed forces suicides at Valcartier? What is he doing to get to the heart of this distressing situation?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, when the matter of suicides in the armed forces was raised some months ago, I looked into the matter and discussed it with the chief of defence staff. We have found that the rate of suicides is lower in the armed forces than it is for the population as a whole.

There has been some concern recently about a number of suicides, specifically with troops coming back from Bosnia and Croatia. I have asked for more information on it to see whether or not there is a disturbing trend.

Any suicide, any death is tragic. The hon. member talks about morale and leadership in the armed forces. As a former distinguished general officer in the armed forces, I would hope he would discuss with his colleagues ways in which they can help to assist with morale and leadership in the armed forces, not by the comments in their questions.

The morale and leadership in the armed forces are a hell of a lot better than they are in the Reform Party.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I would be more than delighted to help him or the troops directly in any way I can.

In the meantime my question through you, Mr. Speaker, to the minister is: What are you doing specifically?

The Speaker: I am sure the member would want to rephrase his question.

[*Translation*]

Mr. Ringma: In that case, Mr. Speaker, I have a supplementary. Canadian soldiers and their families know that death is an occupational hazard. It is expected in the course of duty, but when it takes the form of ten suicides, some sort of explanation is necessary.

What steps will the minister take to reassure the families of the other soldiers that he has the situation in hand and will initiate a plan of action to resolve the problems in the armed forces?

Hon. David Michael Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the suicide rate is lower in the armed forces than it is in the general population.

[*English*]

THE ENVIRONMENT

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, world leaders are beginning to meet in Berlin. I believe the Minister of the Environment will be travelling next week to Berlin to participate in talks aimed at stabilizing levels of greenhouse gases now threatening the earth's climate.

Most of the world's largest per capita emitters of greenhouse gases including Canada have filed shameful reports indicating that they will not meet the commitments they agreed to at the Rio Climate Summit in 1992.

Given that it is clear the world is facing an issue with uniquely large and irreversible consequences and the delegates in Berlin cannot afford to waste the opportunity to begin turning the ship around, why is it that Canada's wimpy actions on climate change are not as forceful as our resolve to preserve the fish stocks off the Atlantic coast?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, first I thank the hon. member for the question. It happens to be one of the few opposition questions on an issue which actually threatens the planet far more greatly than any threat for even the fish stocks.

• (1500)

In fact, the death of the cod stock is partly as a result of the global warming effect which has seen the level of the planet's temperature increase by three degrees since the beginning of time. We expect another three degree increase in the next 50 years.

Some hon. members: Oh, oh.

Ms. Copps: Members across the way may not be interested, but the member is right. We need a stronger position and we need a stronger international position.

We are hoping that with the forward thinking proposal we are bringing forward on technology twinning we will be able to achieve the dual goals of helping developing countries meet their global warming reductions utilizing Canadian technology, but above all making sure that we meet our goals not only for stabilization but also for the reduction of this deadly problem.

* * *

[*Translation*]

TRIBUTE TO JEAN–CLAUDE DEVOST

The Speaker: This concludes question period, but I would like to mention this afternoon that Jean–Claude Devost, table officer and deputy principal clerk at the journals branch, will be leaving this week to take his well earned retirement.

[*English*]

Jean–Claude is at our table right now. Jean–Claude, will you please stand for a moment while I read this to the House.

Jean–Claude retires this week after 28 years of loyal and devoted service to the House of Commons. He began his career working for the caucus of the Social Credit Party under Réal Caouette, and went on to work in various capacities in the House. He became a table officer in 1991.

[*Translation*]

I know, my colleagues, that you would like to join with me in recognizing Jean–Claude's long and successful career. I want to wish you, Jean–Claude, and your wife, Suzanne, good health and much happiness in the years to come.

Some hon. members: Hear, hear.

* * *

[*English*]

POINTS OF ORDER

PEARSON INTERNATIONAL AIRPORT

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, my point of order relates to question period. During question period the hon. member for Kootenay West—Revelstoke referred to a document relative to the Pearson development issue. I wonder whether with the consent of the House we could ask the member to table the document in the House of Commons.

The Speaker: Colleagues, it is somewhat unusual to have a paper tabled by a private member. However, with unanimous consent this House can make any decision it likes. Is there unanimous consent?

Some hon. members: No.

The Speaker: There is not unanimous consent.

LAND MINES

Mrs. Jane Stewart (Brant, Lib.): Mr. Speaker, earlier today in a statement to the House I inadvertently and mistakenly mentioned that there were 110 land mines buried in 62 countries across the world. In fact, there are not 110 and there are not 110,000. There are 110 million. I want to make it perfectly clear to the House the magnitude of this terrible plague.

The Speaker: I am sure the record will be corrected.

FIREARMS

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I wish to correct a mistake which I made in response to a question put on March 23 by the hon. member for Yorkton—Melville.

The hon. member asked me about the registration of firearms. In response, I referred to Statistics Canada numbers. I said that in Saskatchewan the fatality rate from firearms is 50 per cent higher than the national average and the suicide rate from firearms is twice the national average. I was wrong.

The statistics are, when correctly stated, that the firearms suicide rate is one–third higher than the national average in Saskatchewan. It is the rate of death from accidents with firearms that is twice the national average. Overall, firearms fatalities in Saskatchewan are 25 per cent higher than the national average. I shall furnish the hon. member with a copy of these statistics which bear out those numbers.

ROUTINE PROCEEDINGS

• (1505)

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 31 petitions.

* * *

[*English*]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I have the honour to present the 70th report of the Standing Committee on Procedure and House Affairs regarding the selection of votable items in accordance with Standing Order 92. This report is deemed adopted on presentation.

* * *

BUSINESS OF THE HOUSE

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I think you will find unanimous consent for the following motion. I move:

That, notwithstanding any Standing Order, immediately following the completion of Private Members' Business on Wednesday, March 29, 1995, the House shall continue to sit for not more than three hours for the purpose of considering a motion "That this House, in light of the UN Security Council consideration of renewed mandates for UN forces in the former Yugoslavia, take note of the rotation of Canadian forces serving with UNPROFOR in Bosnia–Hercegovina and Croatia".

[*Translation*]

That the first three speakers during debate thereon shall not speak for more than twenty minutes and no speaker thereafter shall speak for more than ten minutes;

That, during debate thereon, the Chair shall not accept any dilatory motions or quorum calls; and

That, at the end of three hours' consideration of the said motion, or when no further Members wish to speak, whichever is earlier, the Speaker shall adjourn the House until the next sitting day.

The Deputy Speaker: The House has heard the terms of the motion. Does the House give unanimous consent to introduce this motion?

Some hon. members: Agreed.

The Deputy Speaker: Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

(Motion agreed to).

* * *

[*English*]

PETITIONS

GRANDPARENTS RIGHTS

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, pursuant to Standing Order 36, I rise today to present two petitions on behalf of constituents. The first is on behalf of 63 constituents of Fredericton—York—Sunbury who request Parliament to amend the Divorce Act to offer protection to grandparents in the case of a divorce action.

DANGEROUS OFFENDERS

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): The second petition, Mr. Speaker, requests that changes be made to the charter of rights to enable residents to be notified when repeat sex offenders are released into our communities in order to protect the safety of children. This petition was signed by 500 constituents.

TAXATION

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, pursuant to Standing 36, I wish to present a petition signed by a number of petitioners from the national capital region.

They would like to draw to the attention of the House that managing the family home and caring for preschool children is an honourable profession which has not been recognized for its value to our society. They also state that the Income Tax Act discriminates against families who make the choice to provide care in the home to preschool children, the disabled, the chronically ill, or the aged.

The petitioners therefore pray and call upon Parliament to pursue initiatives to eliminate tax discrimination against families who decide to provide care in the home for preschool children, the disabled, the chronically ill and the aged.

● (1510)

DRUNKENNESS DEFENCE

Ms. Susan Whelan (Essex—Windsor, Lib.): Mr. Speaker, I hold over 6,000 signatures from the residents of Windsor and Essex county asking Parliament to repeal the Supreme Court of Canada's decision to include extreme drunkenness or incapacity as a defence to indictable offences.

These petitions, launched by the Victims for Justice Coalition of Windsor–Essex County, further request that Parliament recognize that society is obligated to punish those who of their own free will render themselves intoxicated and harm others.

I want to commend the coalition for its efforts in this regard. I am pleased to present these petitions. I am also pleased that this government has responded to the concerns of all Canadians on this issue with the introduction of Bill C–72, which is moving swiftly through the House.

CABLEVISION INDUSTRY

Mr. Dan McTeague (Ontario, Lib.): Mr. Speaker, pursuant to Standing Order 36, I am pleased to present 667 signatures from Calgary, Toronto, Ottawa, Ajax, Pickering and Whitby.

These petitioners call upon the CRTC to review the entire matter in which the cable TV companies introduced the new specialty channel service.

HUMAN RIGHTS

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, I wish to present four different petitions signed by constituents of Capilano—Howe Sound.

The first group of petitioners request that this House oppose amendments to the Canadian Human Rights Act or the charter of the rights and freedoms which provide for the inclusion of the phrase of sexual orientation.

BILL C–41

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the second group of petitions signed by constituents of mine call upon Parliament to oppose the passage of section 718.2 of Bill C–41.

TAXATION

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the third group of petitions signed by constituents of Capilano—Howe Sound request that Parliament reduce government spending instead of increasing taxes and that it implement a taxpayer protection act to limit federal government spending in the future. It is my pleasure to support this request.

HUMAN RIGHTS

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the fourth group of petitions signed by residents of Bowen Island in my constituency call upon Parliament to amend the Canadian Human Rights Act to protect individuals from discrimination based on sexual orientation.

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, I have three sets of petitions to present today on behalf of the constituents of Simcoe Centre.

The first group of petitioners request that the Government of Canada not amend the human rights act to include the phrase sexual orientation. The petitioners fear that such an inclusion could lead to homosexuals receiving the same benefits and societal privileges as married couples.

BILL C–41

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the second petition involves section 718.2 of Bill C–41. The petitioners are concerned that naming some groups in legislation will exclude other groups from protection and that sentencing based on the concept of hatred is very subjective and will undermine our justice system.

TAXATION

Mr. Ed Harper (Simcoe Centre, Ref.): Mr. Speaker, the third and final petition from my riding contains 474 signatures. It was collected by small businessmen from my riding including Mr. Garry Valley, Mr. John Ough, Mr. Barry Bertram, Dr. Devon Smith, Mr. Bryan Greig, Mrs. Jean Baker Pearce, and Mr. Paul Jamieson.

The petitioners request that with Canadians already overburdened with taxation due to high government spending, Parliament reduce government spending instead of increasing taxes.

THE DEFICIT

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, pursuant to Standing Order 36 I am presenting a petition signed by petitioners in the Markham—Whitchurch—Stouffville area.

These petitioners call on Parliament to reduce the deficit by cutting wastage and reduce the overall expenses in every government department by at least 5 per cent.

CANADIAN ARMED FORCES

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, I have a petition signed by approximately 200 people. They are concerned about the morale in the Canadian forces.

The decision to disband the Canadian airborne regiment brought the forces under intense media and public scrutiny.

They would like a thorough and fully disclosed investigation. They feel that this would result in the public being better informed about the Canadian military's condition and contribution to our country's internal and external stature and well–being.

They petition Parliament to initiate at the earliest time a wide ranging public inquiry into the problems facing the Canadian forces today.

ARMENIA

Mr. Sarkis Assadourian (Don Valley North, Lib.): Mr. Speaker, pursuant to Standing Order 36, it is my pleasure to present to this House petitions signed by 100 Canadians living in North York, Scarborough, Richmond Hill, in the metro Toronto area.

These petitioners ask the House to recognize and condemn the Turkish genocide of the Armenians. This year they will be commemorating the 80th anniversary of the genocide and they ask this House for similar recognition as was done by the Israel, Russia, France and Uruguay parliaments. As well, the parliaments of Quebec and Ontario recognize this crime against humanity.

• (1515)

JUSTICE

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I rise again to present another petition in this course of action I have undertaken on behalf of constituents who wish to halt the early release from prison of Robert Paul Thompson.

The petitioners I represent are concerned about making our streets safer for our citizens. They are opposed to the current practice of early release of violent offenders prior to them serving the full extent of their sentences.

The petitioners pray that our streets will be made safer for law–abiding citizens, their families and the families of the victims of crime.

YOUNG OFFENDERS

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, I have two petitions I would like to present today.

The first petition is signed by 788 people and deals with the subject of young offenders. Canadian citizens from coast to coast are calling for changes to the Young Offenders Act. They want an act that is serious enough to deter young people from committing crimes and tough enough to provide real justice.

Therefore, the petitioners request that Parliament undertake a complete and thorough review of existing legislation to address their concerns.

INCOME TAX

Mr. Charlie Penson (Peace River, Ref.): Mr. Speaker, the second petition is signed by 88 people from my riding. The petitioners believe they are already overburdened with taxation due to high government spending.

Therefore they request Parliament reduce government spending instead of raising taxes. I endorse that petition.

GUN CONTROL

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, pursuant to Standing Order 36, I am delighted to present four petitions on behalf of 1,880 constituents of Vegreville constituency.

In all four petitions, it is recognized that public safety is the number one priority of the criminal justice system. It is also

recognized that the existing controls on law–abiding, responsible gun owners are more than enough.

The petitioners request that Parliament support laws which will severely punish all violent criminals that use weapons in the commission of a crime, support new Criminal Code firearms control provisions which recognize and protect the rights of law–abiding citizens to own and use recreational firearms, and request that Parliament support legislation that will repeal and modify existing gun control laws which do not improve public safety or have proven not to be cost effective or have proven to be overly complex so as to be ineffective and/or unenforceable.

Mr. David Chatters (Athabasca, Ref.): Mr. Speaker, in accordance with Standing Order 36 I would like to present a petition from the residents of my constituency of Athabasca, mainly from the Westlock area.

The petition requests that Parliament support laws that severely punish all violent criminals who use weapons in the commission of a crime; support new Criminal Code firearms control provisions which recognize and protect the right of law–abiding citizens to own and use firearms; and support legislation which will repeal or modify existing gun control laws which have not improved public safety or have proven not to be cost effective or have proven to be so overly complex as to be ineffective or unenforceable.

HUMAN RIGHTS

Mrs. Carolyn Parrish (Mississauga West, Lib.): Mr. Speaker, pursuant to Standing Order 36, it is my duty to present a petition on behalf of Mrs. Dorothy Polhill of Mississauga West.

In it the petitioners call on Parliament to oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms which provide for the inclusion of the phrase sexual orientation.

EUTHANASIA

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I rise pursuant to Standing Order 36 to present three groups of petitions.

The first group deals with euthanasia and is signed by 151 people in my riding. The petitioners pray that Parliament ensure the present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in the law which would sanction or allow the aiding or abetting of suicide or any activity designed to terminate human life.

JUSTICE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, the second group of petitions deal with the release of repeat sex offenders. The petitioners pray and call on Parliament to enact legislation that would enable residents to be notified when repeat sex offenders are released into the community.

This legislation would make the safety of our children a priority.

HUMAN RIGHTS

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, the third and final group of petitions is signed by 209 people from my riding and other parts of New Brunswick.

The petitioners pray and request Parliament not to amend the human rights code, the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Criminal Code to include in the prohibited grounds of discrimination the undefined phrase sexual orientation. I concur with all of these petitions.

INCOME TAX

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, I am pleased to present two petitions today from constituents in B.C.'s lower mainland and the riding of New Westminster—Burnaby.

• (1520)

In both petitions, the petitioners make it known that they are overburdened with taxation due to high government spending.

Therefore they pray and request that Parliament reduce government spending instead of increasing taxes and implement a taxpayer protection act to limit federal spending.

HUMAN RIGHTS

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, I have three petitions to present to the House today.

The first one asks that the government not amend the human rights code to include in the prohibitive grounds of discrimination the undefined phrase sexual orientation.

FIREARMS

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the second petition is from a group of people from across British Columbia who request that Parliament support laws which will severely punish all violent criminals who use weapons in the commission of crime.

They support new Criminal Code firearms control provisions which recognize and protect the right of law–abiding citizens to own and use recreational firearms and support legislation which would repeal and modify existing gun control laws which have not improved public safety.

INCOME TAX

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the third petition contains 753 names to add to the tens of thousands of names I have tabled over the last few weeks.

It asks Parliament to reduce government spending, not to increase taxes, and to implement a taxpayer protection act in order to ensure that future tax increases will not afflict the Canadian public.

LIGHTHOUSES

Mr. John Cummins (Delta, Ref.): Mr. Speaker, I have one petition to present today and it says in part that the Minister of Transport has directed the Canadian coast guard to proceed with detailed plans for a program of unmanning all west coast light stations. The savings to the coast guard will be insignificant and the impact on the users of these services will be considerable due to the loss of local weather services, assistance in search and rescue and the manned presence on this remote rugged coastline.

Therefore, the petitioners humbly pray and call on Parliament to revoke this directive immediately and request a complete and thorough public inquiry in the province of B.C. into the need for the manned light stations on the west coast.

* * *

[*Translation*]

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I would ask that all remaining questions be allowed to stand.

[*English*]

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I have a point of order pursuant to Standing Order 39.

I placed a question on the Order Paper on October 4, 1994. That was 179 days ago. I am seeking information on financial assistance provided to each federal riding in Atlantic Canada by ACOA.

It is my understanding that the government tries to answer all Order Paper questions within the 45–day period. However 179 days is an unacceptable length of time to respond to my question. It indicates either an inability or an unwillingness to answer.

Would the hon. member please advise me when I will receive an answer to the question I asked over five months ago?

Mr. Milliken: Mr. Speaker, I know the question concerns the total amount of financial assistance provided by ACOA for each federal riding from November 4, 1993 to date.

I know the Minister of Supply and Services has been working diligently on preparing an answer to the hon. member's question. I understand that if the answer is not yet ready it is close to being ready and that I will be in a position to answer the hon. member soon.

The Deputy Speaker: Shall the remaining questions stand?

Some hon. members: Agreed.

* * *

MOTIONS FOR PAPERS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I ask that the notice of motion for the production of papers stand.

The Deputy Speaker: Is it agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

ELECTORAL BOUNDARIES READJUSTMENT ACT, 1995

Hon. Raymond Chan (for Leader of the Government in the House of Commons, Lib.) moved that Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries, be read the third time and passed.

Hon. Ethel Blondin–Andrew (Secretary of State (Training and Youth), Lib.): Mr. Speaker, it is with great pleasure that I rise in the House today to speak to Bill C–69, an act to provide for the establishment of electoral boundaries commissions and the readjustment of electoral boundaries.

• (1525)

I greet this bill from a different perspective than has been presented to the House before. I would like to speak specifically to clause 30(a) which directly impacts on my riding of Western Arctic.

Once this legislation is enacted, four more communities will be added to my riding. The population of my riding will increase by over 1,700 people. The land mass will be increased by approximately 200,000 square kilometres. The increase in land to the Western Arctic is larger than many of the ridings in Canada. This makes my riding the second largest in terms of land mass.

It is a riding with very few roads. As a matter of fact, 90 per cent of my riding is not accessible by road. In the summer people can commute by boat along the Mackenzie River, but in the long winter the only forms of travel are by plane or on a sometimes rather treacherous winter road in very inclement conditions.

I am not here today to speak on the enormity of my riding and the difficulty in travelling from one area to another. Those concerns go without saying. It is what people would call part of the turf.

However, I would like to take this opportunity to welcome the four communities of Sachs Harbour, Holman Island, Paulatuk and Tuktoyaktuk into my riding and to encourage greater participation by aboriginal people, women and youth in the electoral process in both the north and in Ottawa.

The four communities which will be entering Western Arctic are Inuvialuit communities. They are represented by the premier of the Northwest Territories in the legislature. The riding is named Nunakput. It is with great enthusiasm that I will be working closer with her to best represent these areas. All four of these communities are on the coast of the Arctic Ocean, the third great ocean in Canada.

These communities are currently within Nunatsiaq. Once the redistricting is done they will be within Western Arctic riding. However, they have been well served by my colleague, the member for Nunatsiaq, who has served the communities since 1988 when he was first elected to Parliament.

The population of these four communities is composed largely of Inuvialuit people. Inuvialuit are western Inuit. They are distinct from the Inuit of the eastern Arctic. The Inuvialuit are descendants of the Karngmalit or Mackenzie Inuit who lived in a rich hunting territory containing woods, barrens and seas. This area contains much of the original Thule culture with its emphasis on the beluga as the main source of food, bone, fuel and hide.

Young people make up at least one–third of the population in all of these communities. They are a very young, growing set of communities. The cost of living in these communities, as with all northern communities, is very high. The living cost differential between Edmonton, Alberta in the south and these communities is between 185 and 190. This means that an item of food which costs $1 in Edmonton will cost between $1.85 and $1.90 in these communities.

Although there are many similarities between the four Inuvialuit communities, each has its own distinctive history. One of these communities, Sachs Harbour or Ikaahuk, is located on the most westerly island of the Canadian Arctic archipelago, Banks Island. Archaeologists have found Thule house ruins in several places on Banks Island, indicating that Inuit lived on those islands for hundreds and hundreds of years.

Sachs Harbour was named after the ship *Mary Sachs* of the Canadian Arctic expedition in 1913. Permanent occupation did not begin until 1929 when three Delta Inuit families sailed in their schooners to Sachs Harbour. The major attraction of the island was white fox. For more than 50 years the island has been considered one of the best trapping areas in the entire North American Arctic. The Banks Island people were particularly well off and well educated during the Delta fur trade boom of the thirties. The first Inuk doctor was a member of the well known Banks Island Carpenter family. Education has remained a powerful source in Sachs Harbour.

• (1530)

According to the 1991 census, with a population of 85 people over the age of 15, 30 had a university education or non–university education with a diploma. The people of Sachs Harbour have remained very self–sufficient in comparison to many Arctic communities. They have continued to trap. Outfitting for big game hunts for polar bear and musk ox also takes place. Sachs Harbour has an 88 per cent participation rate in the labour force and has the largest average income of the four communities which in 1991 was $25,000 plus.

Holman Island, another community to be added to my riding, is situated on the Diamond Jenness Peninsula on the western side of Victoria Island. Victoria Island was the ancestral homeland of the Copper Inuit. During the winter they hunted on Banks Island and in the summer travelled to the centre of Victoria Island to hunt caribou. The people of Holman were taught print making by Reverend Henri Tardi, who came from Viviers, France to the settlement as an Oblate missionary in 1939.

In 1961 the Holman Inuit Cooperative was formed to retail the output and print making is now a major source of the community's income. Among the Holman artists the late Helen Kalvak is the most well known. Holman has a participation rate in the labour force of only 59 per cent.

Paulatuk is another community. This is interesting for all Canadians. Canadians seldom ask questions about the north. This is a great opportunity to let them know the constituency in which we exercise a democratic franchise is one that includes these wonderful communities. Paulatuk, the other community to be added to my riding after the redistricting, is located between the seashore and an inland lake on the Arctic coast. The name Paulatuk derives from the Inuktitut term for soot of coal. Coal is found in the vicinity and was used by the Inuvialuit inhabitants for heating.

The original inhabitants of the Paulatuk area suffered greatly from the effects of many of the outside influences brought in by some of the outside whalers. However, the early and extensive contact the people had with many of the European cultures meant they were more independent of trader and missionary influence than Inuit to the east. Many could do business in English and read and write their own language in Roman script.

Paulatuk is known for its carvers. The largest segment of the population in Paulatuk is between zero and fourteen years of age. There is a 14 per cent rate of participation in the labour

force. Of those who are in the labour force 30 per cent are unemployed. The average income in Paulatuk is about $17,000.

The fourth community is Tuktoyaktuk. It is the final community which will be added to my riding. Tuktoyaktuk means resembling a caribou. Legend has it that when caribou were plentiful a woman looked on them as they waded into the water and the caribou were petrified. Reefs resembling caribou have been seen at low tide.

Tuktoyaktuk was traditionally the home of the whale hunting Mackenzie Inuit. This community is the largest of the four communities and the most ethnically diverse, although the Inuvialuit make up almost 90 per cent of the population.

Tuktoyaktuk is now the sea edge base for oil and gas exploration in in the Beaufort Sea. I have many fond memories of Tuktoyaktuk. As a young teacher in the early seventies I spend three years teaching there. Over half of the population, 15 years and over, have not completed secondary education.

These communities are diverse. The land around those communities is awesome, serene and wonderful. The sea life, the animal life and the marine make–up and the ecosystem of that area are a tourist's dream. It is actually an eco–tourist dream. It is something that people from all around the world pay a lot of money to see. It is worth every penny.

• (1535)

In winter and late fall we can see the aureole borealis that everyone talks about. In the summer we can stand in some of the communities and see beluga whales from houses facing the Arctic Ocean. It really is quite a sight to behold. In winter the land is covered with snow and people go out throughout that season to enjoy the community.

The member of Parliament who represents the area, the hon. member for Nunatsiaq, has been very honoured and very gracious in representing the area. I look forward to having these additional communities added to the western Arctic riding once the whole issue of redistribution and readjustment has been completed.

Historically the electoral boundaries were drawn without any consideration of how they would impact on the aboriginal communities in the area. The western Arctic was no different. The Inuvialuit who lived in the most northwestern area of Canada were split between two federal electoral districts. In 1984 the Inuvialuit became the first aboriginal group north of the 60th parallel to sign a comprehensive land claim agreement.

However, the Inuvialuit who reside in the six coastal communities remain split in two different federal electoral districts. After recently having celebrated the 10th anniversary of the signing of the historic final agreement and the passage of Bill C–69, the Inuvialuit will finally all be included in the same electoral district.

There is a very interesting point in the documents put forward about the impediments to electoral participation. They noted the Inuit did not receive the right to vote until 1950. No ballot boxes were placed in Inuit hamlets until 1962. That was unfortunate. It is unthinkable in this day in age that any citizen of this country would not be able to exercise the right to vote in a democracy such as we have, in future elections. However, that was the case.

These communities will provide a positive contribution to the already diverse riding of the western Arctic. Now the Inuvialuit people from Inuvik and Aklavik will be together with the other four Inuvialuit communities of Sachs Harbour, Paulatuk, Holman Island and Tuktoyaktuk. They will be together in one federal riding of the western Arctic.

In years past we had the Lortie commission look at a number of issues regarding electoral reform. One I was much seized with, along with some of my colleagues, was in the names of Senator Len Marchand, former member of Parliament Gene Rheaume, and someone who is very capable and who has helped us, Mr. Marc LeClair, who worked with the aboriginal Liberal commission in looking at the impediments that faced aboriginal people systemically and structurally in terms of the districts and the distribution of seats in the House, and in looking at some of the historical impediments. It made for a very interesting exercise.

We undertook a subcommittee for the royal commission and were successful in meeting a number of groups across the country that spoke to the issues. It was quite extensive.

In the world wars aboriginal people were able to fight for their country. They loved this country and wanted to contribute. They made a great sacrifice. Upon their return to this country they did not have the right to vote until the 1960s. They could lay their life down for their country, they could honour their country, but they were not given the opportunity as other Canadians to exercise their democratic right to vote.

• (1540)

That was a great inequity. These were some of the things we dealt with. It should be of interest to some of the people in the House that there have been 13 self–identifying aboriginal people elected to the House of Commons, including myself, the member for Nunatsiaq and the member for Churchill.

These 13 out of over 11,000 members have been elected since Confederation. Ten of the aboriginal people were elected this century. Only three have been elected in districts where aboriginal people do not constitute a majority.

Six have come from my part of the territory where aboriginal people are a majority, in the Northwest Territories. The selection came from Churchill with an aboriginal population of 42 per cent.

It is astounding to think only 11 out of 11,000 people have been aboriginal. This is the home of the first peoples along with all other Canadians.

It is an esteemed privilege as a member of Parliament to be able to speak on behalf of the people who put us here, to come forward with a conglomeration of their views, with their convictions, their passion, their vision, their beliefs about this country.

Only 13 people of aboriginal descent have been able to do that since Confederation. One of those people was Louis Riel and that is a whole other story. We will not get into that. It is quite an interesting set of circumstances to think about.

My reason for standing is to address Bill C–69 and encourage more aboriginal people, more women and more youth to get actively involved in the electoral process.

Aboriginal people make up to 16 of the 24 seats in the Northwest Territory legislature. Unfortunately the representation of people in the House of Commons is not nearly anywhere as representative. There are only three members, ironically. They are all in the Liberal Party.

That does not stop the other parties from including aboriginal people. Look at the membership of the opposition. It has huge aboriginal populations in the north of its province. In James Bay there are some of the most outstanding aboriginal leaders in the name of Billy Diamond, Matthew Coon–Come, Ted Moses and Chief Violet Pachanos.

A lot of aboriginal people in that area could stand with any other member of Parliament from that province and be proud. In other areas, northern B.C., we have predominant members from the Liberal Party as well as from the Reform Party. We have many New Democrats. We could easily elect in those areas, in the upper places where we have the Gitksan and Wet'suwet'en and where we could have aboriginal people represent not just themselves and their people but non–aboriginal people.

There cannot be a false assumption that because one is of this race or this background one cannot represent fairly other people from other races as well. The doors are open. The opportunities are there.

I encourage the participation of youth, women, people from ethnic minorities, the disabled. There is in this House of democracy, in this community of communities, in this home for true democratic practices and vision a home and a seat for everyone who wants to put their name forward who is capable of being able to come here and speak on behalf of the people who elect them.

Women who make up 52 per cent of the population are not representative in either the territorial legislature or the House of Commons. In the Northwest Territories there are only three female members of the legislature, one of whom is the premier. What a premier, what an outstanding member of the government we have in the name of the premier of the Northwest Territories.

• (1545)

We in the Northwest Territories are proud of the premier when she goes around the world, when she goes to parliament or wherever she represents us. There is no gender barrier to the competence of an individual who thinks well, who speaks well, who presents her views and who has a passion to represent people.

There are only 53 women members of Parliament or 18 per cent of the MPs in Ottawa. The way to ensure greater representation of women and aboriginal people is to become involved in the process. I urge all aboriginal people, in particular the people of the four new communities that will be added to the western riding, to get involved in the political process to ensure that there are good people who will bring the issues that concern them to Ottawa or to Yellowknife, whatever level of government they want representation at.

The youth are an integral part of any political process. Youth have the energy and the enthusiasm to bring victory to any individual seeking office including one of their own. We can look at the list of young people elected to the House of Commons over the years. I believe Father Sean O'Sullivan was elected when he was 21 years of age. My baby is 21 years old, the youngest child in my family. It is wonderful someone like that could be elected to the House of Commons.

Richard Cashin was elected when he was 21 years old; the hon. member for Sherbrooke when he was 24 years old; Lorne Nystrom when he was 22 years old; the Hon. Perrin Beatty when he was 22 years old; the hon. member for York North when he was 28 years old; and the Prime Minister when he was 29 years old. They were all young people. They are people who have contributed. They have given the best years of their lives to this honourable process. It is quite possible. Young people out there who are listening should know that this can belong to them, that a seat in the House of Commons can be theirs.

We are here but for a short time. It can be for years or it can be for a lifetime but we are not here forever. Young people, women, disabled people, visible minorities and other capable and competent people have to be encouraged to get involved and participate. The north with its young population has an abundance of vital energy. I encourage Canadian youth to organize and participate in the electoral process to ensure that their concerns are heard.

Over the last while we have heard many concerns about post–secondary education, employment, and programs and services for young people. We have heard the concerns of disabled people. One way of advancing views is by participating, by being here. There is something to be said about being here; about having a voice, a true voice; and about standing in the highest court in the land to represent people. That is one way to advance views.

It is my hope that Bill C–69 will encourage more people to become involved in the electoral process and that in the future, when electoral maps are being drawn, greater care will be given to ensure that aboriginal communities like the Inuvialuit do not have to wait 10 years to be joined together in one federal electoral district.

I should like to take the time remaining to discuss the main components of Bill C–69 which will impact Canadians living south of 60. First, Bill C–69 eliminates unnecessary decennial redistributions in provinces where there has not been a significant population shift which leads to unacceptable deviations from the provincial quotient.

The committee's bill provides that boundary commissions will no longer be established in provinces where as a result of the decennial census the number of seats to which the province is entitled remains the same and where none of the ridings vary by more than 25 per cent from the provincial quotient. This will eliminate unnecessary redistributions and result in savings to the taxpayers.

• (1550)

Bill C–69 also provides for quinquennial readjustments in addition to the current decennial redistribution. Quinquennial redistributions would take place in provinces where following a quinquennial census more than 10 per cent of the constituencies varied by more than 25 per cent from the provincial quotient.

It would not affect the total number of seats, in layman's terms, in the House or the number of seats allotted to the provinces. It would only allow for the boundaries of ridings within the provinces to be redrawn. By allowing for the riding boundaries within a province to be redrawn more than every decade, the effects of major population shifts in certain provinces would be minimized.

The appointment of boundaries commissions will be more transparent. The chair of each commission will continue to be appointed by the chief justice of the province. In appointing the two other commissioners, the Speaker will have to publicize openings, solicit applications for positions, and consult widely before making appointments.

Another change is that the Speaker's appointments can be reviewed and voted down by the House. The new requirements of public notice, solicitation of applications and consultations will make for a more open and transparent process.

The boundary adjustment process will be a more open and transparent process. Bill C–69 requires that at the beginning of the readjustment process commissions publish a notice of population figures and of their work plans and invite submissions from the public. I am certain it will encourage more public participation in the readjustment process.

Bill C–69 will ensure more informed public debate. The committee's bill requires commissions to prepare three alternate maps instead of only one, as is the current process, showing how riding boundaries could be divided within the province. Although commissions would still indicate their preference, they would have to justify their preferred option. The two additional maps would assist members of the public who wish to make submissions. I believe these new requirements will favour more informed public debate and encourage more public participation in the process.

Bill C–69 provides for the possibility of a second set of public hearings to be held where necessary. When in response to public comments a commission makes changes to the proposed boundaries of a riding that would affect 25 per cent of that riding's population, Bill C–69 provides that a second set of public hearings would have to be held. The change recognizes and reflects the importance of public participation in the process. After all, people are what the electoral process is all about.

Bill C–69 sets out the circumstances in which the boundary commission's current discretion to create exceptional ridings is to be exercised and requires the commission to justify the decision in its reports. This is very critical. Recognizing there may be some need for ridings to vary from the 25 per cent provincial quotient, the committee maintained the boundaries commission authority to create exceptional ridings. The country is diverse. There are exceptional circumstances such as the massive land track in my area that we have to cover; it is huge. It is a very cumbersome exercise for an elected member to traverse the huge land mass, for instance.

However, the committee's bill limits the exercise of that discretion to extraordinary circumstances where the population is more than 25 per cent under the provincial quotient and where the riding is isolated or not readily accessible from the rest of the province. In addition the bill requires the commission to indicate the reasons for this determination in its report. I believe it will favour a responsible and consistent exercise of the discretion.

The bill eliminates the current requirement that the commission's proposals be tabled in the House.

• (1555)

Considering that MPs should participate in public hearings like all other Canadians, the bill does away with added scrutiny by a parliamentary committee of the boundaries commission

proposals. In any event we have seen that the interventions of MPs did not have much of an impact on the commission's final reports. MPs will have the same rights as any other citizen to make representation in the course of public consultation.

This is consistent with the intent of conferring the boundaries readjustment process on independent commissions rather than Parliament and ensures that the boundaries readjustment process remains non–partisan and independent.

Bill C–69 sets out detailed criteria for commissions to consider in drawing constituency boundaries. The committee's bill establishes clear guidelines for commissions in terms of the criteria to be taken into account in drawing constituency boundaries including the community of interest, manageable geographic size and probability of future population growth. Hence the boundaries and finally the boundary commission.

The new boundaries would come into force in less time than under the current act. Under Bill C–69 it is estimated that the boundaries readjustment process will take a total of two and a half years, which is three months shorter than under the current process.

I hope aboriginal people would take advantage of the commission's requirements as would all other people. It is noted that the whole electoral exercise is quite costly. The administration of an election involves 450,000 people and costs approximately $100 million. It is no small or pretty penny to get members of Parliament elected. It is a major undertaking and it should be noted that very few aboriginal people participate in the process.

This is particularly the case with senior positions such as returning officers who are responsible for administering the electoral machinery within the person's electoral district and for subdividing the district into polling divisions. Research was unable to identify any past or present returning officer of aboriginal descent.

The lack of experience is no viable or legitimate excuse. Elections Canada has noted in the impediment to electoral participation that 253 of the 295 returning officers appointed for the 34th general election had no previous experience managing elections. In a sense I am pleading for participation on the part of the government, individuals and communities to organize and get involved in the public process.

The commission is required to publish its plans and hear submissions from the public. This is one way to get involved in the electoral process but, more important, to ensure that electoral boundaries are drawn with more respect to the ties of neighbouring communities. It is my hope that in future aboriginal people will be able to elect members of Parliament from their areas where aboriginal people are the majority.

I congratulate the committee for the hard work it has done in reviewing the current process and in proposing improvements. It could not have been simple.

I also hope that aboriginal people, women and any other group, in particular the youth who are not adequately represented in the House of Commons, will take part in the public consultations on electoral boundaries to ensure that the boundaries are fair and respect the binding ties of neighbouring communities, in particular aboriginal communities but in fact all communities across the country.

• (1600)

[*Translation*]

Mr. François Langlois (Bellechasse, BQ): Mr. Speaker, the process the final stage of which is being undertaken today started yesterday, more than a year after the introduction in this House of Bill C–18, which suspended the electoral redistribution process then under way and provided for a 24 month waiting period before starting a new debate on redistribution.

Unfortunately, the Reform Party then opposed Bill C–18 and the 24 month delay initially provided under this bill. However, the House of Commons passed the bill suspending the whole electoral redistribution process for 24 months.

Later, in considering Bill C–18, the Senate did exactly what the Reform Party wanted to do in this House. It moved an amendment to Bill C–18 providing that a new bill had to be tabled by June 1995; otherwise, the old law would apply again, reviving the commissions suspended under Bill C–18.

When the bill came back from the Senate, the government should have stood up and affirmed the will of the people represented by the hon. members in this place by approving the bill as presented and with the relevant amendments adopted in this House.

Yet, the government then chose to go along with a Senate amendment that put us in a tight squeeze by reducing the amount of time available to do our work. It was, in my opinion, an unacceptable concession, which the Reform Party managed to secure through the Senate.

Following final passage and Royal Assent of Bill C–18, the Standing Committee on Procedure and House Affairs was given the mandate to draft a bill to be submitted to the House. We worked on this for a very long time. I attended all the sessions, including those in the summer of 1994, in July 1994, in which we heard a great many witnesses, including political party representatives, hon. members of this House who came to testify, university experts and others. While working on this bill, we enjoyed the continuous collaboration of the Chief Electoral Officer and his staff.

Although we spent a lot of time on this bill, we have precious little to show for it. Of course, the bill before us, Bill C–69, contains a few sweeteners. These sweeteners are improvements compared with the present situation.

For instance, the provincial commissions will now be able to hold hearings before proceeding with their task, which is clearly an improvement on the current situation. The commissions will have to produce three maps for the regions they cover, three electoral redistribution proposals. If there is sufficient popular demand, the commissions will have to hold new hearings. Granted, the process was improved in this regard.

The bill also sets out the factors to be considered by the commissions in establishing electoral ridings.

• (1605)

These considerations or factors are described in subparagraph 19(2)(*b*), which states that, in determining reasonable electoral district boundaries, the provincial commission shall consider the following: first, the community of interest; second, a manageable geographic size for districts in sparsely populated, rural or northern regions of the province; third, the probability that there will be a substantial increase in the population of electoral districts in the next five years. And finally, the commission shall recommend changes to existing electoral district boundaries only where the above–mentioned factors are sufficiently significant to warrant such a recommendation.

It is all fine and well to make a policy statement like that, making community of interest a guiding principle for every commission. However, we inevitably come across another provision, which sets the maximum variance from the provincial electoral quota at 25 per cent. For example, if, in Quebec, the provincial quota was 100,000 voters or a population of 100,000, the commission would be entitled to make electoral districts with up to 125,000 voters but no less than 75,000 or equivalent population.

The commission may observe a community of interest, but note that the number of voters is not significant enough. Let us not take an hypothetical case, but a real one. At present, the population of the electoral district of Bonaventure—Îles–de–la–Madeleine is 43 per cent below the provincial quota of 50,000 or 51,000, but encompasses a huge area. This district is at risk; it may actually be eliminated. While this bill allows the commissions not to apply this 25 per cent rule rigidly, the considerations are so restrictive that I wonder if they will ever be able to do so.

The only time a provincial commission can depart from this rule is when, as mentioned in paragraph 19(3), an electoral riding or district is geographically isolated from the rest of the province or is not easily accessible. Who will define "geographically isolated"? The commissions, to start with, and of course the courts. No definition was provided. I consider the Magdalen Islands geographically isolated. No one will deny that. Will the population factor apply? I suggest that the commissions consider this factor. Magdalen Islanders had their own electoral district up until 1968. Under Quebec law, they are guaranteed their own district. It is not that the hon. member for Bonaventure—Îles–de–la–Madeleine is not doing a good job at representing the district, but I think it would be highly desirable to have a member of Parliament just for the Magdalen Islands.

Magdalen Islanders will argue that they are geographically isolated, and I think that they can qualify under that factor. Then it will be a matter of satisfying the provincial commissions that the population of the islands does not vary too greatly to justify the creation of a separate district. But I can see a downside to this. While the new electoral district of Magdalen Islands gains a member of Parliament, the district of Bonaventure shrinks in terms of voters ratio. What will happen to the Gaspesian Peninsula then?

• (1610)

What becomes of the ridings of Gaspé, Matapédia—Matane, Bonaventure—Îles–de–la–Madeleine and Rimouski—Témiscouata? What do we do? There is a problem in the Gaspé peninsula. Does clause 19(3) allow us to deal with it globally? I am not sure. We need more information. This is a region with a dwindling population where MPs, whatever their political allegiance, have a large area to cover. They must cope with problems that do not exist, or that take a very different form, elsewhere in the province or in the country. The Gaspé peninsula is the first thing that concerns me.

Maybe clause 19(3) will apply to the riding of Manicouagan, which is indeed geographically isolated and particularly inaccessible, as my hon. friend from Manicouagan argued so convincingly before the Standing Committee on Procedure and House Affairs and again here in the House at the report stage, if memory serves.

Maybe it will also apply to the northern regions of Quebec and Ontario. Last Monday, the ridings of Cochrane—Superior and Nickel Belt in northern Ontario were mentioned.

They cover a vast area and their population, with certain exceptions, is generally on the decline. Will the division be made strictly on the basis of the numbers? Will a greater deviation be allowed?

Clause 19(3) is much too restrictive, in my opinion, for us to give it our approval.

We had suggested maintaining, in the bill before us, criteria now being used by the provincial commissions when deciding whether to waive the rules. What are these criteria?

At the present time, a provincial commission may waive the 25 per cent criterion in any case where any special community or diversity of interests of the inhabitants of various regions of the

province appears to the commission to render such waiving necessary or desirable. In other words, the provincial commissions now have a much broader criterion when looking at particular cases.

I think that a region like the Gaspé or the Magdalen Islands, even the Lower St. Lawrence, would have benefited much more under this criterion than under the extremely restrictive wording being proposed to replace it. This may not be as bad as the initial suggestion to include a schedule of the ridings in the act and freeze them, thus giving a form of statism to the act and to the list of ridings and making it extremely difficult to work with.

Consequently, the official opposition considers clause 19 to be a major obstacle and cannot support the bill.

Clause 16 is also questionable and even unacceptable, given what it says and what it does not say.

Following the representations made last summer to the Standing Committee on the Procedure and House Affairs—by the hon. member for Mégantic—Compton—Stanstead, by the president of the Progressive Conservative Party of Canada and, previously, on June 21, by Senator Jean–Claude Rivest of the Stadacona senatorial designation—we understood that the government would be receptive to the traditional request made by Quebecers and their government for guaranteed minimum representation in the House of Commons, as is the case for some Atlantic provinces.

As you know, representation for the Atlantic provinces is guaranteed by the senatorial clause, which dates back to 1915 and which we do not question.

• (1615)

The senatorial clause allows a population of 120,000 people in Prince Edward Island to be represented by four members in this House. Indeed, that clause provides that a province cannot be represented by fewer members in the House of Commons than senators in the Senate. Since four Senate seats are guaranteed to Prince Edward Island in the senatorial clause, that province can also be represented by four members in this House. The same rule applies for New Brunswick, which is guaranteed ten seats in the Senate, under the Canadian Constitution.

Although the number of residents in that province does not justify such representation, New Brunswick gets ten seats and we accept that. The terms of union between Newfoundland and the Canadian federation, ratified in 1949, also contained provisions guaranteeing adequate representation of the province of Newfoundland, both in the House of Commons and in the Senate. In fact, Newfoundland was guaranteed six seats in the Canadian Senate.

So if we agree with the senatorial clause that provides guarantees for Prince Edward Island, Nova Scotia and Newfoundland, why are we up against a wall when we talk about the same guarantees for the Province of Quebec, when we talk about a minimum level of representation for Quebec?

Quebec, which as a people and as a nation, is one of the two founding peoples of this country. We are told this time and time again. We learned this from our history teachers. It is part of our collective conscience as Quebecers that in 1867, Quebecers were one of the two founding peoples. I may recall that on June 30, 1867, the day before the coming into force of the British North America Act, 1867, Quebec, then known as Lower Canada, was entitled to 65 seats out of a total of 130 in the Parliament of the Province of Canada, that is, 50 per cent.

This was agreed to by the members who were elected to represent us at the time—there was no referendum to ask what the people of Quebec thought and certainly not the women of Quebec, since they did not even have the right to vote at the time and the Fathers of the Confederation were all males—but there were no constitutional provisions that provided for minimum representation for Quebec. The only guarantee Quebec obtained was those 65 seats, but 65 out of how many?

On July 1, 1867, it was 65 seats out of 181. Later, when Canada's territory was expanded with the addition of new provinces including Manitoba, Prince Edward Island, Saskatchewan, Alberta, British Columbia and finally Newfoundland, Quebec's share of representation in the House of Commons dropped steadily, stabilizing during the past 20 or 30 years at a level slightly over one–quarter. Obviously, the Fathers of Confederation made a mistake by not including a minimum representation clause for Quebec, which at the time should have been 50 per cent.

We can hardly rewrite history and today insist on 50 per cent. People will say: Who do you think you are? We are not in a country that allows such deviations from the norm. Be that as it may, we are not asking for the representation that we had in 1867, in other words, 50 per cent. We asked for a minimum guarantee of 25 per cent of the seats in the House of Commons. In the next general election, should Quebec participate—my good friend from Bonaventure—Îles–de–la–Madeleine will agree it is pretty doubtful that we will be able to—when the thirty–sixth Parliament is elected, Quebec, for the first time in its history, will fall below this critical mass of 25 per cent, since it will have only 75 seats out of 301.

• (1620)

Hence our proposal, which was akin to the Liberal 1992 proposal. I read on Monday of the pleasure of the hon. member for Papineau—Saint–Michel and Minister of Foreign Affairs at being able to guarantee Quebec minimum representation of 25 per cent, saying that this represented a significant gain for

Quebec. The hon. member for Papineau—Saint–Michel described the guarantee of 25 per cent for Quebec as an incredible step forward.

Well, as regards our motion which was voted on yesterday, once again none of the Liberal members in this House in 1992, who are still here today, voted in favour. Why did the members change their minds in the space of three years? Why deny Quebec something so minor? I would like, in passing, to recognize the very open–minded approach to the matter taken by the hon. member for Burnaby—Kingsway, who voted with the official opposition to guarantee Quebec minimum representation of 25 per cent, as did the hon. member for Beauce, as if this were perfectly natural.

It was perfectly natural, since the vast majority of members from Quebec present in this House yesterday voted in favour of this minimum guarantee of 25 per cent. We can therefore say that there is very broad consensus in Quebec, which goes beyond party lines, that Quebec should enjoy a minimum guarantee of 25 per cent. When the Progressive Conservative Party, the official opposition, the Bloc Quebecois, the hon. member for Burnaby—Kingsway and the independent member for Beauce all support the motion to include guaranteed representation of 25 per cent in Bill C–69, it is obvious that there is broad support in Quebec on this point. I need not add that Senator Rivest had given his support for this provision. Even the support of the governments of Quebec, which had called for the inclusion of this provision in the legislation, did not fail. As far as I know, as well, the present government never shied away from what had been agreed in the past.

It is strange to see the government back away from something it supported in September 1992—the vote was on September 10, 1992—without much justification. Two days ago, on Monday, I listened to the arguments which the hon. member for Kingston and the Islands and the hon. member for Scarborough—Rouge River put forward, arguments which were not convincing. I do admit, however, that under normal circumstances, these two people are extremely convincing, but, for people to be able to convince others, they themselves must be convinced.

It goes without saying that, when people rise to make representations that they are forced to make—because any old reason to vote against the amendment will do—they obviously cannot be convincing. The unconvinced cannot be convincing. This was the impression that I got the other day from the hon. member for Kingston and the Islands, the impression that he did not believe in the things that he was saying and that he was using the pretext of constitutional technicalities as a reason for refusing to support a motion which had already been allowed by the Chair and declared admissible following a procedural debate. It is a little odd that the debate swung in this direction.

• (1625)

You will understand therefore, that, at the end of the day, this bill will be incomplete, as I said earlier, because of its stand on the issue of allowable deviations from the boundary rules in special ridings and because of its failure to take a stand on the issue of one of the country's founding peoples. Was this an intentional omission on the part of the government?

We might have asked ourselves this question when debate began on the bill. But, after the vote yesterday on the official opposition's motion guaranteeing Quebec 25 per cent of the seats in the House, it was quite clear that the government had not simply overlooked this detail, but that it was omitted by design. The government does not want to guarantee Quebec fair representation in this House and does not want to accept as a criterion the fact that the nation of francophones in Quebec is a founding people, the cradle of francophones in America. The day we took such a decision was a very sad day indeed.

Would Canadians have been unhappy to see the government finally recognize Quebec's distinct society status, founding people status, status as a nation which built this country? I think not. Yet, yesterday, all it would have taken to recognize this was a majority vote in this House. But it was denied us. It was the most modest demand formulated in the last 50 years.

Without going back to prehistory, we can go back several decades: in the 1930s, there was the Rowell–Sirois commission in Quebec; in the 1950s, the Tremblay commission also studied constitutional issues; the Laurendeau–Dunton commission reviewed what was happening in this country in terms of the Constitution.

I invite our friends from the Reform Party, who think that Canadian history started with their election, to read about the events of that period. It would be a good idea to return to the source to understand that Canadian history started, we are not sure exactly when, with the first people to land on our shores, probably the Vikings who landed somewhere near Newfoundland at the beginning of the millennium. Then there was the arrival of Jacques Cartier in Gaspé in 1534, the founding of Quebec City by Samuel de Champlain in 1608, the founding of Trois–Rivières and Montreal in the following decades. And finally, the establishment of the first government in New France, as Canada was then called.

In the beginning, we had a government of companies. As you probably remember, the King of France entrusted private companies like the Company of One Hundred Associates and the Dutch West India Company with the administration of the territory. The King of England, for his part, gave the Hudson's Bay Company the English part of the territory that later became British North America. Territories throughout the continent were administered by private companies.

Our first institutions, not democratic but public, were granted in 1663 by the King of France through the establishment of the Sovereign Council of New France. These institutions reflected the values of the time: a governor, an intendant, the Bishop of Quebec City and those co–opted by them for a total of seven people, near the end of colonial times, but without any democratic guarantees.

We, francophones, had a hard time achieving our democratic rights on the American continent. Our motherland never gave them to us.

• (1630)

They tried to exercise in New France the same absolute domination as in Old France. Gradually, we stopped being French while, of course, maintaining good relations with what was then our mother or home country and became a more and more distinct nation.

At first, we called ourselves Canadiens or, as we used say, "Canayens". So, on one side, there was us Canadiens and, on the other, the English who occupied part of the land.

From 1663 to 1759, we operated with these institutions. Then, in 1759, the battle that took place on the Plains of Abraham was a victory for some, but for us it was a defeat. It brought about constitutional changes, again, military government in 1759, a royal proclamation in 1763 which ceded the colony of New France to England in exchange for Guadeloupe and Martinique. It is clear that errors of judgment were made somewhere along the way because, while anglophones had won here, in America, when, on the Old Continent, the British won the war against the French and the Treaty of Paris was signed, they got New France, but France kept Guadeloupe and Martinique.

Those are great travel destinations, but in terms of the relative value of the two, I think it was a sucker deal at the time.

Still no democratic institutions. In 1774, the Quebec Act that was handed to us—because we got whatever was left over—nonetheless restored civil law in Quebec, which allowed us to have a legislative council, but not an elected one. They were afraid to give francophones, so peace–loving, democratic institutions in which Quebecers could be represented by the people of their choice. Instead, we were given a legislative council appointed by the governor.

But the Quebecers, Canadiens of those days had certainly demonstrated great pacifism and great open–mindedness because there were 63,000 francophones in Quebec at the time of the conquest and only 3,000 to 4,000 survivors of Wolfe's regiment. With that kind of power relationship, had we been even slightly vindictive, the slightest bit vindictive, we would not have had to go into overtime to decide the fate of these 3,000 or so people. We went along with a de facto situation and, guided by the elites who governed us in those days, whether we liked it or not—we will not rewrite history—we tolerated this situation.

Finally, in 1791, the Constitutional Act gave us for the very first time the right to have elected representatives and the first House of Assembly in Quebec. Naturally, we did not take any chances. It is like in a car: there is an accelerator, but there is also a brake pedal. The Westminster government allowed us to have a house of assembly made up of elected members, but it also maintained a legislative council, which was appointed by the governor and which could oppose the decisions of the assembly.

In 1791, we gained control over some institutions. The situation evolved rather rapidly and the country was divided into two parts: Upper Canada and Lower Canada. The assembly elected in Lower Canada had no extra–territorial jurisdiction. Consequently, it could not legislate for Upper Canada, nor could Upper Canada legislate for Lower Canada. We then move on to the 1830s with the Patriotes' rebellion and the infamous Durham report, which recommended unifying the two Canadas to finally assimilate and anglicize the French–speaking nation in America, something which was not to happen.

• (1635)

For eight years, while English was the only official language in the house of assembly of the Parliament of the Province of Canada, French Canadians fought, in their own language, to have French recognized as an official language. Thanks to their tenacity, justice was finally done in 1848, when they obtained the right to use French, which also became the language used in the legislation. I will end with 1867 and the emergence of new institutions.

You will understand, Mr. Speaker, why I simply cannot agree when I hear simplistic comments such as those made by the Reform Party, to the effect that Canada started to exist in October 1993. Canada has existed for a long time. As a member of one of the founding nations which forged Canada's Constitution, I respectfully submit that, given our long common history, this critical mass of 25 per cent is the breath of life which Quebec needs if it remains, but I hope it will not, part of the Canadian federation.

In any case, it is better to be safe than sorry; it is better to buckle up, even if you do not wish to have an accident. It is from that perspective that I wanted to discuss the 25 per cent rule. This rule is so fundamental that, even though Bill C–69 includes some improvements, the fact that Quebec is not guaranteed a minimum of 25 per cent of the total representation in the House of Commons is reason enough, in fact the only reason, for the Bloc not to support this bill at third reading. Consequently, we will oppose this legislation.

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, we are now debating Bill C–69 for the last time in the House. The bill is consequential of Bill C–18 from some time ago and the perceived need to redraw the act which allowed the commissions to redistribute the ridings in various provinces.

The bill is a result of the Liberal fiasco of interrupting the boundary redistribution with Bill C–18. The fiasco was started because Liberal members did not like the new maps produced by the commissions. Making a show out of calling for a fundamental review of the redistribution process, the government ordered new boundary maps drawn under new rules, costing Canadian taxpayers more than $5 million in wasted commission reports.

Although there have been some minor improvements to the process of selecting boundary commissioners and publicizing the process, no substantial change to the composition of the boundary readjustment commissions, no substantial change to their powers and no substantial change to the method of drawing boundaries are proposed by Bill C–69. All the changes made to the redistribution act could have been made without throwing out the maps produced at great cost.

This whole exercise was a crass political manoeuvre on the part of the Liberals hoping to have boundary lines redrawn closer to their liking. There was no requirement for the redistribution process to be suspended and for the expensive work to be thrown out in order to examine the process.

Notwithstanding the minor technical improvements made to the act, the bill should be defeated by the House for two major reasons. Bill C–69 fails to address the problem of a rapidly growing House of Commons and it lays suspect the concept of equality of vote as a guiding principle in the redistribution process. The bill does not move the House of Commons any closer to respecting the mandate of representation by population, the cornerstone principle for a lower House in a bicameral system.

What is interesting about these two failures is that the Liberal members of the procedure and House affairs committee were initially in favour of tighter variances and a capped or reduced number of seats in the House of Commons. Capping or reducing the number was a major part of the mandate the House gave to the procedure and House affairs committee.

• (1640)

Witnesses were brought in from all over the country to discuss this issue with us. Many of the Liberals on the committee agreed that the restrictions on the size of the House were a good idea.

Allow me to give members a few examples. Going back to our procedure and House affairs committee meetings of last summer, on July 7 the member for Scarborough—Rouge River, a very active member during this entire process, said: "I have always been in favour of the view that the House should be taking control of its numbers. We ought to, by formula or in another way, be capping the size of the House of Commons. I am in favour of capping, whether it is 250, 300 or something over 300. It is not a big problem".

It seems pretty clear the member for Scarborough—Rouge River was in favour of dealing with the issue of the growth of the House. He was not alone on the Liberal side of the table. At the same meeting the member for Ontario said: "I too support any initiative that might have the effect of limiting or capping the number of seats".

The member for Vancouver Quadra, very experienced in matters of riding redistribution and constitutional considerations, added: "I have no problem at all with capping". He was clear we had to recognize some of the difficulties in doing it.

The Reform members on the committee were able to satisfactorily answer those concerns. The pattern of support for the idea of a smaller or capped House continued into the fall. In our meeting on October 20 the member for Scarborough—Rouge River again indicated his support for the concept: "I oppose further growth in the House without any restrictions. I tend to be in favour of a capping arrangement at some point and I very much want to see that issue addressed".

It is very strange the member has spoken in favour of and has supported the bill at all stages even though that issue is not addressed at all.

The chairman of the procedure and House affairs committee, the member for Kingston and the Islands, wanted to shirk all responsibility for capping the House and leave the problem to a future Parliament.

The Liberal dominated 51st report from the committee says: "Many members of the committee reluctantly came to the conclusion that a cap or reduction in the size of the House of Commons is not feasible at this time".

I got a very different impression from many of the Liberal members during the committee hearings. Reformers demonstrated that a House based on 265 members plus a few more to account for senatorial limitations is workable. We included this in our minority opinion, an opinion the Liberal brass ordered defeated.

On October 20 the member for Vancouver Quadra added: "I think many of us would like a more compact House. This House certainly architecturally has been stretched to the breaking point".

This is all very interesting but when faced with a vote on the issue in that very meeting, all Liberal members voted against a reduced House or a House frozen at 295 members. They all

voted for a House that grows to 301, the status quo formula for continued growth.

Their personal support for capping the House continued. As late as November 1 the member for Scarborough—Rouge River said in committee: "We should be addressing the size of the House in our report. I do not think as a committee we have nailed that one down yet". He added at a later meeting of the committee on November 22: "It would be naive to leave this issue without discussing the size of the House".

It was at this point that the chair, speaking for the government, indicated that it would be better to leave the problem of a growing House to some future Parliament. This comment seemed to concern the Liberal members who thought that capping or reducing was a good idea.

The member for Mississauga West who also participated in our deliberations wondered why the next Parliament should be asked to investigate the problem: "Is there any good reason why we cannot do it?"

The answer to that is a very loud and resounding no, there is no good reason the bill could not have contained provisions to cap or reduce the size of the House of Commons, other than a lack of political will on the part of the government to deal with a controversial issue that would be acceding to the wishes of Canadians.

• (1645)

Her comments that day were reinforced by her colleague from Vancouver Quadra when he agreed with her that the work on the problem of size should start now. All of these comments are in the committee transcripts.

There was a very real level of non–partisan agreement that capping and reducing the House was in order. The Liberal members of the committee wanted it and the Reform members of the committee wanted it. My friend from Mississauga West was absolutely right when she said: "I think the Canadian public wants us to limit the size of the House". It seems that the only people who do not want it are those in the government inner circle who really call the shots.

It is always interesting to hear what any given government member thinks about a particular issue and then compare their response after a caucus meeting or after the whip has had a chance to talk to them. Time after time we see them mysteriously changing their minds about what is in the public interest.

I noted with interest that the hon. member for Bellechasse was surprised that the Liberals had changed their minds. I do not understand that. Liberals have been changing their minds ever since this country was established in 1867. There is nothing they stand for and there is everything they stand for; it is whatever is convenient at the time.

It is time that the House and the government acted on principle, on what is right and on what is in the best interests of the Canadian public. It should consult with the Canadian public rather than flim–flamming around from one position to another, depending on the whims of the inner circle of the Liberal Party.

There seemed to be a pretty clear consensus among Liberals that capping and reducing the size of the House was a good idea. Why then was the issue suddenly and strangely dropped from the committee report, the bill which the government introduced, and all subsequent comments from those Liberal members? Suddenly, it was not an issue any more.

The answer is quite clear. They were whipped into line by the party brass. The red book promises of giving ordinary members of Parliament more autonomy and control over committee and House business is demonstrably dead. It is one more example that the red book promises of open government and restoring integrity were nothing more than tricks designed to win support from a public weary of unethical politicians. How else can the Liberals explain the practice of standing firm on an opinion one day and then voting it down on the next?

It was the same with the back to work legislation which the House dealt with last week. Many government members spoke in favour of designing legislation that would prevent costly strikes which damage the economy. Then they voted against the bill introduced by the hon. member for Lethbridge which would have done just that. Then within 24 hours the same members stood in support of the bill legislating an end to the crippling rail strike. It just does not make sense. It is pure partisan politics at its worst.

It is exactly the kind of top–down decision making Canadians from coast to coast are sick of. It is the Charlottetown accord approach to making decisions. They are trying to impose their will on Canadians. The Liberals are demonstrating that they hold a very low opinion of the thoughts of their own backbenchers. They expect them to act like trained seals, to always toe the party line and to vote when and how they are told to.

We saw exactly the same thing when we were discussing the allowable variance from the provincial population quotient, which is also a part of Bill C–69. Several government members expressed support for the idea of making constituencies, as close as possible, equal in population.

The member for Mississauga West went so far as to vote in favour of a Reform suggestion to move to a 15 per cent variance in population quotient. In our committee meeting on October 20 she admitted: "I voted with you on that, if you recall, and got into big trouble". Big trouble for expressing her own opinion in a committee meeting of this House. The member admitted that

she was censured for voting contrary to party wisdom. That is not open government; it is authoritarian top–down government.

I know the Liberal member for Vancouver Quadra will agree with me when I say that the monarch in Parliament is sovereign and MPs share in that sovereignty. Members of Parliament should not merely be puppets to their party brass. It is bad policy, it is bad for Parliament, and it is bad for Canada.

Canadians elect MPs to represent their interests in Parliament. It is a shame that the government would not allow its members to exercise that responsibility. The support was there to create a redistribution bill that would meet the needs and wants of the majority of Canadians, but the government brass whipped its members into line to enforce its own agenda.

• (1650)

The Parliament of Canada should not be run in an authoritarian top–down decision making process. Every vote and every committee should not be considered a matter of confidence. Every member should not be forced by the inner circle to toe the line. That kind of practice reduces the House of Commons to nothing more than a grand rubber stamp for what the cabinet has already decided behind closed doors.

I doubt the government had an open caucus debate on these issues before it determined to add seats to the House of Commons and allow the vast population variance differences that are included in Bill C–69. I doubt very much there was a very open debate in the Liberal caucus about this issue. I suspect the decision was made and members of the Liberal caucus were told that they would support Bill C–69. They were probably given four or five talking points to back them up as they were sent out to sell the government agenda.

There was a rare opportunity here to make a positive change to our redistribution system. The government did not allow its members to make those changes in the area of a capped or reduced House to protect the equality of Canadian votes with a tighter variance.

I want to briefly reflect on some of the observations made by the hon. member for Bellechasse. He took it upon himself to give Reformers a lesson in Canadian history. I want to assure the hon. member that Reformers are very aware of the history of our country. We are very proud of our past. We are very proud of all of those from the past who contributed to this country to make it the great country it is.

I would like to remind the hon. member for Bellechasse and others who might share his concern about our understanding of Canadian history there are reasons that people came to this country. They came particularly to my part of the country, the west, and I believe they came to the province of Quebec, Ontario and Atlantic Canada because they wanted to get away from some things in their country of origin. They wanted to escape repressive regimes. They wanted to escape governments that imposed undemocratic principles upon them.

I am a bit concerned about the Bloc members' position on Bill C–69. They want to impose a principle that in my opinion and the opinion of my Reform colleagues is undemocratic. That is, we would put on the floor of the House of Commons 25 per cent of the seats for one province in this country, regardless of changes in population.

That is why a lot of people left their country, to escape those types of oppressive laws and come to a place where the democratic principles of representation by population were adhered to. I believe that is the principle the people of Quebec adhere to as well. I also believe that is one of the reasons many people in the province of Quebec voted against the Charlottetown accord.

Canadians, both within and outside of Quebec, find it abhorrent that we would call for special status for anyone in this country. It is not a principle that was accepted in the Charlottetown accord. It was repugnant back then and it is repugnant to Canadians today.

We have to ask: Why would they want special status? Why would they want to be guaranteed 25 per cent of the seats of the House of Commons whether their population justified it or not?

I think of two or three arguments that might be put forward. One argument might be that somehow their representatives are not as good as the representatives from other parts of the country and they need that floor and need that protection. I do not accept that argument. Quebecers can send qualified and able members to this House who can represent them adequately, just like we can in the rest of the country. I challenge that argument.

Another argument might be that they are superior to other Canadians and deserve to have 25 per cent of the seats in this House. I reject that argument as well. It is a false argument. We need to look upon each other as equals in this country, equal citizens with equal responsibilities, equal privileges and a law that affects us all in the same manner.

There is one other argument that might be put forth. They might say that they are one of two founding races and somehow that bestows some special privilege upon us. All of us know that the native people were here before those of English or French origin.

This past weekend I was at a breakfast where a Metis leader spoke to us. He brought the point home to us again that in most of this country Canadians do not view Canada as being the home of two founding nations. In particular, if they are one of the first people or of Metis origin, they very much doubt that concept.

• (1655)

I want to close by saying I appreciate the opportunity to make my final remarks on Bill C–69. For all of the reasons I have put forward in my speech at third reading, I urge the House not to pass Bill C–69. We are not getting the job done. If we are not prepared to face the issue square on and if we keep wanting to put off the tough decisions into the future, those decisions will become even tougher to make.

If we let this House expand to 320 members, some 20 more people will have a vested interest in maintaining their seats in this House of Commons and not seeing the size of this House reduced. It is going to have a negative snowball effect which is not good for the country. Unfortunately there are too many politicians in this place who have a vested interest and are not able to put the well–being of the country ahead of their own self–interests.

I urge all members of this House to do the right thing, the thing even Liberals argued for in committee, to cap the size of the House, to respect representation by population, and to vote against Bill C–69.

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Mr. Speaker, I want to very briefly run over the very positive aspects of the bill before the House today. I am afraid the opposition members, as is their wont, have dwelt on the negative aspects.

We have heard the hon. member for Kindersley—Lloydminster complain about two aspects he feels were not there. We have to deal with what is there. We have a good bill here and the hon. member should have acknowledged that and indicated supported for it in his speech.

[*Translation*]

The hon. member for Bellechasse had several complaints about things that were not in the bill, but what is in the bill is clearly quite acceptable to everyone, and he should support the bill for that reason.

[*English*]

The bill provides a new, and I suggest better, appointment process for commissions and for the commissioners. It puts a limit on the need to appoint commissions in provinces where there have not been significant population shifts. That is a major change. It will save money. We have another major money saving device in this bill. Redistributions will cost less as a result of this bill.

We have established quinquennial review, that is quinquennial redistributions in provinces where there have been significant population shifts within the province. Therefore we will avoid massive changes every 10 years.

We put a new clause with new directions to commissions instructing them on how to do the redistribution within the boundaries they decide on. We have suggested new ways of doing it that in my view are more restrictive than the rules that were there before. We directed them more pointedly to deal with items such as community municipal boundaries and boundaries of existing electoral districts. I think it is a significant improvement. All the members of the committee agreed it was an improvement when we made those changes.

There are limits which I suggest are much tighter on the right of commissions to deviate beyond the 25 per cent limit on the provincial quotients. Now they cannot create a riding that is bigger than the limits, which they could do before. Those are prohibited. They can only create one that is smaller than the 25 per cent deviation. That is circumscribed very tightly because it must be geographically isolated from the province or very remote. Without quoting the exact words, it is significantly different from what it was before. Again, the hon. member for Kindersley—Lloydminster who harps on this point has fewer grounds to complain than he had in the previous bill. He should be supporting this bill.

The publication of plans is different. There will be three of them. There will be an opportunity to comment before the maps are published for the first time. The member for Kindersley—Lloydminster says that the maps presently drawn by the boundaries commissions are thrown out the window. That is not true. They could be used as one of the three maps by the new commissions. There is no reason in the world why those could not be used as one of the three options put forward by the commissions when they publish maps.

Members will have an opportunity to comment with members of the public in advance of publication, after publication and after significant changes in the maps.

This is an improved process. It is more open. We have rid ourselves of the parliamentary review. We have made the process more open, more accountable to public pressure, and more accessible to the general public in that sense.

• (1700)

We have abolished the very expensive publication process for the maps. We have made them available to people who want them, not to publish them in newspapers at great public expense. It is saving literally millions of dollars.

The commissions will give reasons for their decisions, which was not the case before. This will help explain to the public why the commissions have drawn boundaries in the locations they have. The period for implementation of redistribution has been shortened under the bill so that it will happen in a faster time frame than was the case before.

Those nine or ten very positive improvements to the legislation are encompassed in the bill. All I hear in lengthy speeches from the opposition are complaints. There has not been mention of any of the very positive aspects. I invite hon. members to look at the brighter side and not dwell on the things that are not there.

I should like to turn to a couple of things that are not in it and say something about them. I will deal first with the complaints of the hon. member for Kindersley—Lloydminister and then I will turn to the hon. member for Bellechasse.

The member complained repeatedly that members of the House were not free to express their views in the committee. We obviously had a very free expression of views. He has quoted extensively from speeches of members, particularly members on this side. I can understand why he would want to quote them. In his remarks he said how they shared a view one day and changed their minds another.

Part of the advantage of committee work is that we get to hear witnesses and study various options. The members of the committee looked at the things we could do. He may have forgotten that we spent three days in July last year, and he was there, hearing witnesses. We worked quite hard with long sessions lasting all day.

Having heard the evidence of witnesses we had discussions. They influenced us in various ways. Some of us were swayed by some witnesses and felt that maybe we should do this one day and then, having read other material and reflected on it, we changed our minds. That was true of many members of the committee.

Had I been expressing views in the committee as the chairman of the committee, I am sure he would have been quoting me as having said one thing one day and maybe something else the next. My views changed too as I read up on the subject and was persuaded by various witnesses, by discussions with my colleagues on the committee and by material I read on a subject such as the royal commission report on electoral reform and party financing.

Having seen all that material, having formed our views and having reflected on the matter, many members changed their minds. The hon. member for Kindersley—Lloydminster attributed all kinds of reasons to this that are not really accurate in every case at all and certainly not generally fair to hon. members who made up their minds. He should not indulge in such speculation on the reasons people make up their minds the way they do.

Naturally there are discussions in caucus. Naturally there is a consensus building on issues like this one. On the bill itself there was a significant change that he pressed for. That was the elimination of scheduled ridings and a change to put the power back in commissions to make the decisions that could have been made in the House because of various complaints from members. That was the response to complaints that he raised. The members on our side looked at it and decided there was a better way. I think the bill reflects that. I heard no criticism of that aspect of the bill from the hon. member in his speech.

The committee looked at the evidence, weighed the evidence and came to conclusions. We did not all come to the same conclusions. That is quite obvious from the speeches this afternoon. However, we came to conclusions on a bill that has very positive aspects that will have a significant impact on the way we do redistributions in the country and a very positive influence in that regard.

The redistribution done under the bill will be good. It will be better than what we had before, in part because the process is more open, in part because the commissioners will be more responsive to the wishes of the members of the House as they are chosen essentially by the members of the House, and because the opportunity for public input is very significantly enhanced under the bill.

In reflecting on whether or not to support the bill I invite members to consider those items, to look at the positive side and ignore the very negative side.

Another complaint the member made dealt with the size of the House. Frankly that is not a matter for a redistribution bill. It is a matter for changes in the Constitution of the country. The committee was very reluctant to get into constitutional change. The number of seats assigned to the provinces under the Constitution is set out in the Constitution Act. It is a matter of constitutional amendment to change it.

• (1705)

The hon. member wanted either to cap or decrease the size of the House. Most members on our side have considered the matter. There was some initial attractiveness to the idea. Last summer there was a lot of media attention focused on the size of the House and whether or not we really needed a House of this size. They reflected and decided that with 295 members for a country the geographic size of Canada we were not significantly over–represented in the House.

Our population is growing. Most of us in Ontario represent about 100,000 people. That is a significant number. We cannot get to meet them all in our term of office; it is virtually impossible to do so.

I am sure the hon. member for Kindersley—Lloydminister knows from his own experience, having been in the House now for a year and a half, how difficult it must be for him to meet his electors. Members of Parliament do not have all the time in the world to be out in their constituencies. When we go to our constituencies it is difficult to go door to door when we are trying to do our work as representatives, meet groups and people in our offices who ask to see us, not just to see the people who

perhaps would be interested to meet us but do not have the opportunity.

Mr. Bélair: Telephones help.

Mr. Milliken: As the member for Cochrane—Superior says: "Telephones help". He has a particular problem given the geographic size of his riding. The country is enormous. Members of Parliament have a particularly difficult role to play, a multifaceted role that involves more than sitting in Ottawa and doing the work demanded of them in this place.

I will continue with the subject of the Constitution.

[*Translation*]

I would like to comment on what the hon. member for Bellechasse said in his speech today and also on what he said Monday in connection with his motion in amendment to this bill.

It is clear that what he wanted to change was really a section of the Canadian Constitution, not a section of this bill. He argued that he wanted a change that would give the Province of Quebec a minimum level of representation or at least 25 per cent of the members. This kind of change would require an amendment to the Constitution Act. Two sections are affected by this proposal, one of which is section 52 of the Constitution Act, 1867, and I would like to read it to the hon. member, although I am sure he has already read it: "The Number of Members of the House of Commons may be from Time to Time increased by the Parliament of Canada, provided the proportionate Representation of the Provinces prescribed by this Act is not thereby disturbed".

A change of the kind he proposed would clearly change the ratios established by the current legislation with respect to representation of the provinces. This means that to make the proposed change, we would have to amend the Constitution.

The other section that is crucial to this matter is section 42(1) of the Constitution Act, 1982, which reads as follows: "An amendment to the Constitution of Canada in relation to the following matters may be made only in accordance with paragraph 38(1)(a)". One such matter is "the principle of proportional representation of the provinces in the House of Commons prescribed by the Constitution of Canada".

So we cannot make changes except "in accordance" with section 38. Section 38(1) provides for "resolutions of the Senate and the House of Commons; and resolutions of the legislative assemblies of at least two–thirds of the provinces that have, in the aggregate, according to the then latest general census, at least fifty per cent of the population of all the provinces".

• (1710)

So, it would be very difficult to make such a change in the Constitution. We tried to during the debate and the referendum on the Charlottetown accord, but the Canadian people did not want it. I am surprised today that the hon. member for Bellechasse and his party supported such a change to Canada's constitution, after opposing the Charlottetown accord.

The accord would have guaranteed Quebec 25 per cent of the seats in the House of Commons, but they opposed it. What happened? Why are they supporting this amendment to the Constitution in the House today? This is nothing more than a game for them. They are not sincere in proposing such a motion in this House. Oh yes, indeed. And look who proposed the motion: a party that has decided it will not be here after the referendum.

If this party wins the referendum, Quebec will separate from Canada. If it loses, its leader has promised he will resign, and all his members will do the same. How can they propose a change like this to guarantee Quebec a minimum number of seats here in the House, when they do not plan to stay? What is the problem here? I do not understand the position of the Bloc Quebecois on this matter. I would also suggest that the remarks of the hon. member for Bellechasse are just another attempt to confuse the issue and give a boost to the separatists' campaign to help them catch up.

Clearly they have problems, and some other issue must be found for Quebec electors, an issue of no importance to anyone.

[*English*]

Everybody in Canada would be happy to ensure adequate representation for every part of the country, but the hon. member for Bellechasse in his speech criticized the fact that Prince Edward Island had a guarantee of four seats. He used that as an argument to suggest that somehow other provinces should also have guarantees.

If we all had guarantees of a minimum percentage we would never make any changes in the representation. Everybody in the House including the hon. member for Bellechasse supported the notion of representation by population in the discussions in the committee. Clause 19 of the bill provides for effective representation based on population. It is the guiding principle for redistribution and was supported by all members. He supports that principle and he knows it.

By his amendment he is trying to raise a red herring that has nothing to do with the bill. It is really an amendment to the Constitution of Canada that he would like to get and that frankly he opposes in relation to certain other provinces that are very small.

I share his views. I do not think anybody should have a minimum number of seats in the House. We should be dealing

with fairness and representation and trying to get the very best maps we can so that members have an area they can represent that is manageable and that allows them to do a good job in the House for all the country. That is our aim.

With great respect I invite hon. members opposite to rethink their negative thoughts on the bill, look at the good side of it and support it.

[*Translation*]

Mr. Langlois: Mr. Speaker, the hon. member for Kingston and the Islands has made a few errors. At one point, I almost thought I was hearing Flora MacDonald. Now really, we do understand that the riding may remain the same, but we do at least expect the incumbents to change. Indeed, Mrs. MacDonald did once hold the seat; now it is the hon. member and, one day, there will be somebody new there. If voters do not ensure this happens, nature surely will, as it will for me one day too.

• (1715)

Something remains to be clarified and corrected. The hon. member for Kingston and the Islands said that the amendment proposed by the official opposition on the issue of minimum guaranteed representation for Quebec would change the Constitution of Canada in an unorthodox way, that we cannot proceed in this fashion and that we should use the 7–50 rule, which is 7 provinces representing 50 per cent of the population of Canada, plus the two federal Houses. This is the way he suggests we do it, even though we clearly indicated that under the circumstances this is not the way to go.

The amendment proposed by the Bloc Quebecois would have changed the text of subclause 16(2) of the bill to the following—I am sure that the hon. member for Kingston and the Islands will be listening to this: "On receipt by the Chief Electoral Officer of a return referred to in subsection (1) in respect of a decennial census, the Chief Electoral Officer shall calculate the number of members of the House of Commons to be assigned to each of the provinces, subject and according to the provisions of section 51 of the *Constitution Act, 1867* and the rules provided therein". And our amendment would add that: "and, notwithstanding the foregoing, when by application of this subsection the number of members to be assigned to the Province of Quebec is less than 25 per cent of the total number of members in the House of Commons, the Chief Electoral Officer shall assign at least 25 per cent of the total number of members to the Province of Quebec". That is the amendment which would have guaranteed us 25 per cent of all seats.

Our amendment refers directly to a constitutional amendment; by our wording we are modifying section 51. Did we have the right to propose this amendment from a constitutional point of view? The question has been raised before the courts. I will provide my hon. colleague from Kingston and the Islands with a copy of the decision in *Campbell vs. Attorney General of Canada,* reported in 1985–49BLR, 4th edition, page 321. Five judges of the British Columbia Court of Appeal ruled that under section 44 of the Constitution Act, 1982, the federal Parliament had the authority to make laws, and that it could make laws with respect to the criterion of proportional representation, bearing in mind that proportional representation must be interpreted in the Canadian sense of the term, not in a rigid, mathematical sense, but in the context of Canadian history. This was the ruling of the honourable judges of the British Columbia Court of Appeal in *Campbell.*

The legislative authority on which the official opposition's amendment is based is section 44 of the Constitution Act, 1982. I would remind members that section 44 does not specify exactly how we in the federal Parliament are to use our authority to amend the Constitution of Canada within our areas of jurisdiction. Are we to change its wording directly or by reference? We are making a reference to the wording. As the Constitution does not specify a method, either, in my opinion, is acceptable.

In concluding, I would like to ask the hon. member for Kingston and the Islands a question of principle. Setting aside the constitutional arguments that could occupy us for hours, why does the hon. member for Kingston and the Islands not wish to see the people of Quebec, as one of the founding races of this country in 1867, retain this critical mass of 25 per cent of the number of members, which gives it the power to influence certain decisions?

Mr. Milliken: Mr. Speaker, in my opinion, the position of the hon. member concerning section 44 of the Constitution is wrong. It is obvious that the operative words in this case are "principle of representation by population" and I do not need to quote the section again in this House; the words are quite clear. We can change certain things concerning representation in this House but not the principle of representation by population for the provinces. That can be changed only if census figures warrant it under the regulations if it is in section 51 of the Constitution.

• (1720)

[*English*]

I am a firm believer in the concept of the two founding races. I believe fully that the partnership that created our country and has caused it to prosper and develop is a fundamental part of our Constitution. I have absolutely no reluctance in recognizing that principle.

I do not share the hon. member's view that the only way to do it is to accord a guaranteed minimum number of seats to one of the provinces. I do not like the minimum guarantees that we have for seats in the House. There may be other ways to do it,

perhaps by a minimum number of seats in the Senate or by some other method.

I firmly believe that the House should be elected on the basis of representation by population. I have always been a believer in that principle. I stick by it.

There are conflicts of principles now and again in the way we do things. The hon. member for Kindersley—Lloydminster in his speech referred to the principle of representation by population. I am a firm believer in it and so is the hon. member in his heart of hearts. I know he does not like the minimums that are already there. I do not either. I would prefer to see those changed.

I recognize there are certain political realities in Canada by which we have to abide. I am not anxious to engage in changes to those realities without an overall view of how the Constitution could be changed in various ways.

The Charlottetown accord was an attempt to do that. The hon. member opposed it. I supported it with some reluctance. I did not like parts of it. However in it was the 25 per cent minimum. I supported Charlottetown. I am prepared to support Charlottetown again if I have to. I would prefer not to. I would prefer a better deal. I think we can get a better deal some day.

We are not into Constitution making now. Canadians are fed up with Constitution making. In my view we ought not to be engaging in it here in a roundabout way, as the hon. member suggests, and which I suggest is illegal.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, in listening to the member for Kingston and the Islands respond to the hon. member for Bellechasse he was arguing for and against himself. He reiterated what I said in my speech.

He alluded a bit to some constitutional changes that would be necessary if we were to reduce the number of members in the House. We discussed this in committee. As the member for Calgary West very adequately explained to the hon. member for Kingston and the Islands, any constitutional changes would be minimal and could be done within the confines of the House. They do not require the very complicated and difficult amending formula to authorize the changes. It would be necessary to deal with the grandfather clause which prohibits an equitable reduction in the size of the House.

The hon. member for Calgary Centre, who had some input at committee in the bill, used California as an example of a jurisdiction in the United States with a population equal to the population of our entire country which at the federal level only has, if I remember correctly, 56 federal members to represent nearly 30 million people.

His argument that we need 294 MPs at the federal level to adequately administer this country does not hold water. Both our system and our capabilities are equal or perhaps superior to those of the politicians in the state of California.

I have a concern the hon. member did not address and to which I would like him to respond. We have thrown away $5 million. We are going to draw new maps after the bill is passed. Given the population shift in the province of Ontario, I am quite sure that the results may be very similar to the results we saw when the maps came out in the former process. In those maps northern Ontario lost one seat. Perhaps now with the population changes it will lose two seats and the hon. member for Cochrane—Superior will have a larger riding and another member will not have a riding at all.

How is the hon. member's government going to respond when the maps come out again? The results could be even less favourable to his members than they were this past time. Will they again demand changes? Is the government going to again delay the process and bring in new legislation to try to get the maps drawn the way those members want them?

• (1725)

Mr. Milliken: Mr. Speaker, the hon. member made some pretty far-reaching assertions in the course of his remarks. I want to go back to the California example he cited, although he did not specifically ask me a question on it.

He suggested that because in California members of the house of representatives represent huge numbers of people that we should do the same. I do not agree that the American experience is one that we necessarily need to follow. We have never done so in the past on major political matters. I do not know why we would today.

The hon. member, in reflecting on this issue, would agree with me that the American political experience has not been all roses either. He points to the parts of it he likes and says this is what we should do. However he ignores the disadvantages that their system affords, which are significant.

Canadians do not expect their members of Parliament to represent huge numbers of people. They feel they are well represented now with a House of reasonable size. Based on population we have always had a fairly large House compared to the United States and I am sure we are going to continue to have for the foreseeable future.

The second part of his question was about the proposals we have here and if the commissions are coming up with new maps are we going to throw those out a second time. I do not think so. I have no reason to believe that would be the case.

However, the member should bear in mind that in dealing with these maps the government is not throwing them out. The commissions will be free to use them as one of the three they put forward for public consideration should they decide to do so. They do not have to redraw every line on every map. This may be one of the three sets they have to do but I remind the hon.

member that they do now have to produce three. So these maps in fact could be quite helpful.

The census figures that were set out on a geographic basis for the entire country will be available to the new commissions as were to the old. All that work will not be duplicated.

For the hon. member to suggest that we have trashed everything by this bill and wasted $7 million is not accurate. We will have good use for some of things that have happened. Certainly some of the money that was spent on advertising will not be spent a second time. We are not going to trash everything and waste all the money. We are moving to save money with the new redistribution. There will be some loss from the expenses already incurred.

However, had the hon. member been vigorous in supporting our first bill instead of supporting the senators who held it up and cost the taxpayers millions of dollars, we would be away ahead of the game. If those commissions had cancelled as soon as the bill was introduced we would have saved several million dollars. It was wasted because the hon. member and the Senate got into bed together and blocked the passage of the bill and cost us a lot of money as has—

The Deputy Speaker: There are two minutes to go. I do not believe the member for Rimouski—Témiscouata wishes to begin her speech. I wonder if we might call it 5.30 by agreement.

Some hon. members: Agreed.

The Deputy Speaker: It being 5.30 p.m., the House will now proceed to the consideration of Private Members' Business, as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

STATUTORY PROGRAM EVALUATION ACT

Mr. John Williams (St. Albert, Ref.) moved that Bill C–289, an act to provide for evaluations of statutory programs, be read the second time and referred to a committee.

He said: Mr. Speaker, I am glad to speak to this private member's bill. Unfortunately, it has been designated a non–votable bill and will not be referred to the Standing Committee on Public Accounts.

However, there is a tide in the affairs of men which when taken at the flood leads on to fortune. Shakespeare said this 400 years ago. There is a tide today that is causing government to re–examine its profligate ways and return to the sanity of fiscal responsibility, hence ensuring the prosperity of Canadians in future generations.

Canadian taxpayers have seen their taxes rise dramatically over the last 15 to 20 years in the name of reining in the budget deficit. Yet that deficit is no closer to being tamed than in the years before. We have had a continuous stream of finance ministers stand in the House and proclaim that the battle will be won through the increased taxes that they have introduced. These have been empty promises. We have listened to finance ministers tell us that spending is being constrained in the name of deficit reduction. Every year when we add it all up, the spending has gone up.

What is the problem? When more and more taxes only contain the unsustainable deficit, the problem is being perceived as insurmountable. Perhaps the real reason lies in the way we spend taxpayers' money and the needs we as a government have perceived as needs to be addressed.

Over the years governments past and present have created programs to address virtually every perceivable need for Canadians from health to unemployment, grain transportation, disaster relief, alleviating aboriginal problems, educating our young, combating poverty, heritage, industrial development and international marketing. The list is endless.

Some of these programs are highly visible. They serve Canadians every day. Some are out of sight of the Canadian taxpayer and yet we hope are performing some valuable service. Some are out of date and out of touch. Some are just plain obsolete. Some continue because no one has bothered to shut them down. They are forgotten, expensive and ongoing. Are they Beneficial? No.

In this day and age when we are trying to justify every dollar spent, we should take the time to evaluate on a program by program basis what we are actually doing and why.

The President of the Treasury Board has announced that 45,000 civil servants are going to lose their jobs. Is that because we have suddenly found out their work was irrelevant? I doubt it.

Somehow the Treasury Board is telling us that government can do the job required with 45,000 fewer civil servants. We do not have these answers, only questions and concerns. What does it mean for those Canadians who depend on a certain program? Will it still be there for them tomorrow?

What about the career of a civil servant which has suddenly been shattered? What does the future hold for him? Why did we find out now that we can dispense with 45,000 civil servants? It did not appear apparent to us last year or the year before that we could dispense with these civil servants, 30,000 of them, 20,000 of them or 10,000 of them. Why now?

Over the last 10 to 15 years the private sector has realized technology has changed the world, that profit margins are slimmer. Efficiency must be improved to maintain profitability. Innovation is the only way to success.

By recognizing these signs and acting on them, Canadian industry leads the world today in rising productivity growth. To them we owe a great debt of gratitude. If they had been as laggardly and as slothful as the Government of Canada, the country would have had a financial crisis long ago.

The private sector is constantly reviewing what it does, how well it does it, how it can improve efficiency and how it can innovate. Is the government exempt from these issues? The answer is no. It does not have the political will to address them.

My private members' bill is a serious attempt to redress that problem. I have focused on statutory spending in my private members' bill, spending that accounts for $112 billion this fiscal year. It is included in the estimates for information only.

Members of Parliament cannot debate it. They cannot vote on it. They cannot reduce it. They cannot eliminate it. Like old man river, it keeps rolling on every day. I want to take stock of that $112 billion of spending.

Like the private sector, I want it done rationally, completely, objectively and most of all on a cyclical basis of seven to ten years.

• (1735)

I am proposing in my private member's bill that all statutory spending, no matter how great or small, how meaningful or meaningless, be evaluated every decade using four fundamental principles. Is the program still relevant? Is the program effective in addressing the needs that have been identified? Is the program being delivered efficiently? Is there a better way to achieve the same results? Those are four fundamental criteria on which to evaluate every statutory program that has been authorized by the Government of Canada over the years.

Let us look at these points again. Is the program relevant? We all know we live in a changing society. Statistics Canada is continually measuring these changes in our society, the size of urban poor, child poverty, wealth, the size of our houses, the products we buy, the appliances we own, our level of education. The index of Statistics Canada is an inch thick. Who says a program designed 20 or 30 years ago is meeting the challenges of today unless we ask what is the challenge we are trying to meet today?

Therefore I want the question asked whether the program is still relevant. That will cause the senior bureaucrats and the political masters to define clearly and specifically what the need is in today's terms, not last year's terms or last decade's terms. What are they trying to accomplish today? It is simple enough. The private sector does it all the time. It boggles my mind that this is an innovative idea for the Government of Canada.

The second principle of evaluation is whether the program is effective in addressing the identified need. That again seems a fairly simple question to which we would want to know the answer. Surely if we have identified a need through the discussion on relevancy it behoves us to know we are addressing that need effectively, not just 60 per cent of the need being addressed and 40 per cent being ignored or whatever percentage we want to choose.

On the other side of the coin, why would we want to address a need with 20 per cent overlap beyond that? We would be wasting taxpayers' money because we did not examine our programs to determine if they are effective. Worst of all, what would we say if we were to find that a program is addressing issues largely irrelevant to the fundamental focus of the programs, spending money with abandon while the need identified remains unaddressed?

Surely it is our job as parliamentarians to be asking these questions to ensure on behalf of taxpayers that we have the answers.

The third principle of my bill requires that we ask how efficiently we are delivering these programs. Is our service up to par or do we have to wait months for a disability pension from CPP, for example? I found out through my work on the public accounts committee that the Canada pension plan only answers four out of every 11 telephone calls. I found out that the Department of National Defence built a warehouse in Halifax to house inventory. However, after the building was largely complete it looked at the inventory it wanted to put into the building and realized it was largely obsolete and was not being used.

Therefore, when we ask whether the program is being delivered efficiently, I hope in most cases the answer is yes. We want to know every situation when the answer is no.

• (1740)

The final principle of the bill asks the simple yet fundamental question is there a better way? Too often we get caught up in repetition instead of innovation. As needs change we have new tools and new technology to identify needs. As we improve our efficiency we should always ask whether there is a better way.

Preventive maintenance goes a long way to reduce renovation. A stitch in time saves nine. Program evaluation, as proposed in my private member's bill, is an ongoing process that will provide value to the Canadian taxpayer. It is not politically driven. It is open and transparent.

My bill will require each program evaluation be laid before the House and referred to a standing committee for its input, for public discussion, hearings and for recommendations. It would be a public process.

We have program reviews going on today with the Minister of Human Resources Development. These reviews are taking place behind the scenes. They are being presented, according to the Auditor General, without pooled information. In his last report he mentioned we would require more information. It would be a public process and the government would be required to respond the committee's report within 150 days.

Another major point is we must have faith in the quality of the evaluations. For that reason my bill causes evaluations on programs that spend more than $250 million annually to be reviewed by the Auditor General, and his report on the evaluation to be laid before the House also.

Program evaluation is an idea whose time has come. The Auditor General has been critical of the progress of development of program evaluation in his 1993 report. Program evaluation has been introduced in other western democracies with significant success and savings to the taxpayer. It can, will and must do the same here.

As parliamentarians who are wrestling with a serious budget deficit and an accumulated debt almost out of control, we owe it to the taxpayers to adopt program evaluation. As members of Parliament responsible for the public purse, program evaluation is without doubt the best tool that has come along to assist us in our work in decades.

The Auditor General said: "The story of program evaluation in the Government of Canada is one of high expectations and great potential that have only been partly fulfilled". That quote is from the 1993 Auditor General's report, paragraph 844.

Let us not have heads of gold and feet of clay. Let program evaluation achieve its full potential in playing its very real and substantial role in managing government programs.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, I am pleased to address the House on Bill C–289, a private member's bill.

The bill provides for the regular evaluation of continuing government programs funded by statutory appropriations by a program evaluation process set by the President of the Treasury Board. Responsible ministers would be required to table in the House the results of these evaluations.

[*Translation*]

The bill also requires the Auditor General of Canada to review and report to the House of Commons on major evaluations.

[*English*]

During this period of concern for the deficit and the level of the national debt, it is very important all parliamentarians and all Canadians know which government programs are working; which government programs are working well and which ones are not working well. We also want to know how we can improve them so they are affordable and that they meet the objectives established for them.

Program evaluation is a good tool for reviewing programs. It allows for the questioning on a periodic basis of the rationale for each government program. It involves the systematic gathering of verifiable information on a program. This information would include demonstrable evidence of its results and cost effectiveness. This process would provide more and better information for decision making.

• (1745)

The government has already demonstrated its commitment to the need for regular program evaluations. Many of our public documents place an important focus on evaluation. For example, "Creating Opportunities", the red book, outlines the importance of evaluation information and the 1994 budget called for major reviews of federal programs.

[*Translation*]

These important reviews of federal programs had two objectives: first, to identify the programs and services that the government will continue to provide if there are enough resources and, second, to ensure that these programs are delivered in the most efficient way possible. We can already see the results of these reviews.

[*English*]

In addition, in May 1994 the Treasury Board approved a new review policy. The intent was to strengthen the ongoing review capabilities of departments and the government in general. More and improved review and evaluation findings are to be made publicly available.

Bill C–289 recommends evaluations be made of statutory programs on a cyclical basis. This a worthy approach. We need to ask how practical it is. There are only so many resources that can be devoted to program evaluation. We must use those resources carefully.

While major statutory programs are important, sometimes it is much more cost effective to evaluate issues which impact on more than one program and possibly on more than one department. Evaluations involving many departments are often more strategic and more likely to be useful.

The government needs to retain flexibility in this regard. Cyclical evaluations of singular statutory programs may not always provide the wider information base needed for a significant government decision. There is nothing wrong with supporting cyclical evaluation. One needs to think whether this approach is the best one in all cases.

Ultimately we want to ensure review of activities undertaken by government departments and central agencies are better linked to government priorities rather than some predetermined schedule.

[*Translation*]

The needs and aspirations of the population change rapidly. Unforeseen problems may arise. Decision makers and managers must adapt quickly to any change in conditions.

[*English*]

A long term fixed evaluation schedule is not always appropriate. Programs should be evaluated based on an analysis of risk, their importance to Canadians and, as the information is needed, for decision making. To have an evaluation for the sake of an evaluation is not cost effective or wise.

Evaluations are not the only source of information parliamentarians and Canadians can use to evaluate whether government programs and services are affordable and effective. There are many different activities in government which help us to learn how well programs are serving Canadians and also to identify successful practices that can lead to service and quality improvements when needed.

Earlier this week the President of the Treasury Board released details of the renewed expenditure management system of the Government of Canada. The new system is intended to support the objective of making the best use of tax dollars to deliver quality services to Canadians. The renewed expenditure management system introduced the concept of departmental outlooks. These outlooks on program priorities and expenditures will be provided to the various standing committees of the House.

[*Translation*]

These documents will give parliamentary committees better quality information that will enable them to evaluate future priorities and trends in departmental and program spending and to comment on them.

[*English*]

The public service is currently working to establish service standards for its programs. The role of service standards is to provide answers to questions such as how long will it take to provide a service? How often will it be provided? What can people do if they are not satisfied? Providing service standards that pose these types of questions invite public feedback. This feedback from the clients of government is an important element in the government's attempt to provide quality services that are affordable, efficient, effective and responsive to the needs of Canadians.

• (1750)

Internal audit is another important tool available to provide information on the success of programs and activities. Internal audits are designed to help managers achieve their business objectives by identifying weaknesses or opportunities to improve the overall economy, efficiency and effectiveness of program management practices.

[*Translation*]

It is also important to note that the information on program performance must be available on an ongoing basis. Managers, members of Parliament and senators along with the Canadian people would not be very happy to learn long after the fact that the programs have not produced the expected results.

[*English*]

There must be useful performance measures that provide answers on an ongoing basis. The Auditor General has for several years encouraged the government to improve the quality of the information in this area. Program managers must be encouraged to demonstrate on a timely basis the results being achieved by their programs.

Most of the mechanisms for providing information on program performance, what I have discussed already, have a permanent place in the management framework of government and are already used to assess statutory programs.

[*Translation*]

I have tried to demonstrate that, even if evaluation is an important management tool, it is not the only one. No single tool such as evaluation can meet all information needs that determine program effectiveness. Each review tool and each information tool must be used at the appropriate time and for the appropriate purposes.

[*English*]

I have tried to demonstrate the most important aspects of what is happening in government in terms of relating information to parliamentarians. The House recently passed a private member's bill that changed the Auditor General's act to allow him to report more frequently to the House. This change will provide us again with more timely information on government activities and I am sure it will provide the Auditor General with more work.

How much more work can we be asking the Auditor General to do before we start to reduce his effectiveness? That is one of the problems we would encounter.

[*Translation*]

The bill before the House is the result of an admirable effort by an hon. member to ensure that we all have access to good quality information on program performance. I suppose that we can never have enough information. We must, however, consider the costs.

[*English*]

As the bottom line there are many good sources of information available to us on a routine basis. We must ensure we are making full use of these resources. If we need further information there are many options open to us. Should we be enshrining a new review process into legislation without fully considering the options and costs involved? I think not.

I am prepared to look at the positive options of the proposed legislation. If they can be incorporated into some of the mechanisms we have in place it will be done.

[*Translation*]

Mr. Richard Bélisle (La Prairie, BQ): Mr. Speaker, I take this opportunity to commend my colleague, the hon. member for St. Albert, for taking the initiative of tabling Bill C–289. Incidentally, the hon. member sits on the public accounts committee that I chair and I share and certainly understand his interest in ensuring that an act is passed to provide for the evaluation of statutory programs.

The need for statutory program evaluation has clearly been established both in the public and the private sectors, especially at a time when costs are tightly controlled and we have to make the most of our scarce resources. The only thing standing in the way of this bill being passed and applied to major programs is an obtuse government unable to keep up with the times.

The public accounts committee has already devoted several meetings to program evaluation. The Auditor General of Canada, for his part, devoted chapters 8, 9 and 10 of his 1993 report to program evaluation, and made the following comment again in 1993, and I quote: "Our audit found that the story of program evaluation in the Government of Canada is one of high expectations and great potential that have been only partly fulfilled. Cabinet has been paying sustained attention to program evaluation data over the last ten years".

• (1755)

But this interest was given little more than lip service, really. The sixth report of the public accounts committee, tabled on November 21, reiterated the relevance of program evaluation. The auditor general indicated that most of the programs that were evaluated were not high expenditure programs.

In 1991–92, the evaluation of programs with budgets over $1 billion, that is to say 16 programs totalling $124.5 billion, showed that only two of these had undergone a comprehensive evaluation; the rest were only partially covered, if at all. In 1991–1992, twenty–four per cent of government's program expenditures were evaluated. That same year, 480 of the completed evaluations covered programs with expenditures of $250 million or less, as compared to 18 in the over $250 million category.

There is therefore a need to eliminate this kind of laissez–faire in government with respect to evaluating mostly low expenditure programs. That is why I agree with paragraph 8(2) of Bill C–289, which states that the Auditor General of Canada may review any program evaluation and submit a report on it to the House of Commons in the case of a program evaluation covering a statutory program with expenditures of $250 million or more each year.

I also support this bill because it is directly based on the main recommendations of the sixth report of the public accounts committee, which I signed last November.

This legislation would establish an objective decision making process regarding the continuation or the elimination of government programs, and it would help reduce the arbitrary and political nature of the decisions made. Having better documented and more objective decisions would give more weight to the role of managers and members of Parliament. An improved program evaluation process would result in a more efficient control of costs, given that the current deficit exceeds $37 billion for that the accumulated debt is close to $550 billion.

As the hon. member St. Albert pointed out, program evaluation is a modern day management tool. In this era of electronic highway and state of the art technology, why would the government keep ignoring the value of cost benefit analysis and objective criteria on which to base its decisions, and instead follow trends, rely on a gut feeling, or base these decisions on political or partisan considerations?

Program evaluation is definitely a protection against dramatic cost increases which become unmanageable over time. I should add that this explosion of costs which eventually become uncontrollable accurately reflects the Liberal Party saga of the last 25 years.

Bill C–289 is a rare attempt by this Parliament to get us out of the vicious circle of expenditures, debts and subsidies to friends of the party, in which the Liberals put this country two decades ago.

The purpose of this bill is to provide for the regular evaluation of government programs by a program evaluation process set by Treasury Board on a prescribed cycle. The President of the Treasury Board would determine the cycle for evaluating statutory programs. We could not agree more.

New programs would also be covered by this process within six months after the coming into force of an act authorizing a statutory program, the President of the Treasury Board shall, by order, prescribe the fiscal year as an initial evaluation year for the statutory program and prescribe the evaluation cycle for the statutory program. This whole process would tend to reduce the

risk of arbitrary decisions, and we therefore support section 3 of the bill.

In concluding, I have two suggestions for the hon. member for St. Albert: first, in subsection 7(4), the hon. member suggests 150 days for completing the evaluation of a statutory program after the end of the evaluation year. I think 90 days would be more reasonable. This means that tabling in the House would come after 120 days, instead of 180 as the hon. member initially suggested.

Second, considering the strategic role played by the auditor general in program evaluation, I would suggest to the hon. member that the program evaluation report and the auditor general's report connected with the former be referred to the Public Accounts Committee instead of a committee designated by the House as provided under section 9.

• (1800)

I endorse Bill C–289, and I urge the House to support this bill, so that the government will stop this debt spiral caused by unnecessary spending and programs that have outlived their usefulness.

[*English*]

Mr. Ray Speaker (Lethbridge, Ref.): Mr. Speaker, I am pleased to have the opportunity to speak in support of this very thoughtful and very important legislation. As my colleague, the member for St. Albert, stated in his remarks, the objective of Bill C–289 is to hold statutory spending to the same standards of accountability that Parliament currently applies to discretionary expenditures. That is a very noble and worthwhile cause to put forward in this assembly.

While time is limited, there are two points I want to make in these remarks. First, as statutory programs come to represent an ever–increasing amount or share of total government expenditures, the inability of Parliament to evaluate these programs effectively and objectively is making it more and more difficult for members of Parliament to hold governments accountable. For this reason there is a need to have a bill such as Bill C–289.

The second point is that the intense fiscal pressures brought about by decades of government over–spending not only make enhanced review and evaluation of statutory expenditures desirable, but certainly very essential at this point.

On the first point, I would like to remind the members of the House how our system of government is supposed to work. Under the Constitution as members of Parliament we have been granted three very important powers. First, we must decide how much government will be permitted to spend. Second, we must decide how the government will spend it. Third, we have an obligation to hold the government accountable for those expenditures.

The objective of the legislation is to bolster and to enhance the third of these three parliamentary powers that are given to us as members of Parliament. Specifically, it asks that statutory programs be subject to the same periodic program evaluations that are presently applied to non–statutory programs.

These program evaluations seek to answer four very fundamental questions. First, is the program relevant? Second, is the program effective in meeting its objectives? Third, is the program being delivered effectively and efficiently? Fourth, can the purpose of the program be fulfilled through a variety of different means?

At present no such reviews are conducted for statutory items. When weighing the merits of extending program evaluations to cover this area, we must consider the following: This year, fiscal year 1995–96, the Government of Canada will spend some $164 billion dollars. Of this only $48 billion will be subject to parliamentary review. That means that some 71 per cent, or the remaining $116 billion of our tax dollars will be spent automatically without any attempt to evaluate those programs success. That is just not accountability. That has to change. That is the main purpose of Bill C–289.

Given the size of these annual expenditures, it seem rather ludicrous that members of the House would not be provided with the information to determine whether such programs are effective in meeting their objectives. It is hard to believe that members would have no way of determining whether there is a better way to do things. Yet that is the current state of affairs. Members do not have the information they need to evaluate the effectiveness of statutory programs.

• (1805)

This brings me to my second point. The federal government is presently facing what amounts to a fiscal crisis. It finds itself under immense pressure to reduce government expenditures. Even after making significant cuts to discretionary expenditures in its last budget, it will still have a deficit of $25 billion in the year 1997.

Simple arithmetic tells us that if the government has any hope of achieving a balanced budget then the lion's share of the cuts will have to be made in the area of statutory expenditures. Discretionary programs have already been cut or pared to the bone. The only sizeable pool of money left is in the area of statutory programs and programs such as old age assistance.

That is why Bill C–289, which would subject the statutory programs to periodic review and evaluation, is so critical. In the coming years, members of Parliament will be called on to make more difficult and tough decisions than previous Parliaments have had to make. We will have no choice but to reduce or even

eliminate benefits which millions of Canadians consider to be virtual birthrights.

If we as parliamentarians are to fulfil that task in a responsible manner then we will need the information to make intelligent decisions. At present this information does not exist. Bill C–289 seeks to fill this information gap.

In conclusion, Bill C–289 is valuable legislation which would address two fundamental concerns. First, by improving the scrutiny of statutory expenditures, it would begin to put control of the government purse back in the hands of Parliament.

Second, the information obtained from these evaluations and reviews would provide members with the information they need to make intelligent spending decisions. At a time when every government program is being evaluated, when the most sacred of government cows is being reconsidered and when every dollar is now subject to careful scrutiny by the budget cutters, legislation like Bill C–289 is not merely desirable but is most essential.

Mr. Stephen Harper (Calgary West, Ref.): Mr. Speaker, I am rising, along with the previous speaker from Lethbridge, to support Bill C–289. In doing so, I want to thank the hon. member for St. Albert for having brought the bill to the House. It is one of a series of bills he has brought forward to improve the financial accountability of Parliament.

[*Translation*]

I would also like to thank the hon. member for La Prairie for his support. He gives his party the kind of financial perspective we need in this House. As chairman of the Public Accounts Committee, he helps the cause of public finances in Canada.

[*English*]

In addressing the bill I would really like to ask a question. Do we do anything here other than provide the veneer of democratic decision making to what goes on in the massive leviathan we call the Government of Canada?

Historically our system did not begin in Parliament. It began with the crown. The crown would periodically call together Parliament in order to get Parliament's input into important decisions. The crown would do that because it needed tax dollars and felt that a process of consultation with both the Lords and the Commons would aid in getting their consent to raise tax dollars in the general governance of the country.

• (1810)

As British history unfolded, Parliament asserted more and more its rights, not only to give its approval and its input, but to control the entire process: to control the agenda, to select ministers, to ultimately provide responsible government and democratic control over the affairs of the crown.

The funny thing about this is that as time went on the process almost reversed itself. Gradually Parliament pushed the crown out as the governing force in British democratic countries. As soon as that happened, the government increasingly became a force very much independent of Parliament, until it is as we have it today, where estimates are presented in the hundreds of billions of dollars, approved by Parliament without serious scrutiny, almost on a ritualistic basis. We saw that here last week.

Auditors General have pointed out on many occasions, and in many different ways, that Parliament has lost control of the estimate process. The question will increasingly arise, particularly as we go through this period of governments cutting spending, cutting favours and the goodies which they give to the population, as to why people believe that this process protects their interests, protects their tax dollars and protects their financial interests.

We are talking about the estimates and a bill to expand the scrutiny of Parliament beyond the estimates. Previous to getting involved in politics I spent some time as a student and as a professional studying the history of federal government spending.

One of the things that really strikes us when we look at what has occurred since the second world war is the relative decline in non–statutory spending as a proportion of the total and the increase in statutory programs as the significant element in federal government spending. Thirty years ago about one–third of all spending was of a statutory nature. Today it is well over two–thirds, as previous speakers have pointed out. That is not simply due to the increase in our debt and the statutory interest payments, it is also due to the focus which we increasingly have on a small number of statutory programs, mainly in the area of social spending.

It is unbelievable to realize that this portion of spending is not at all controlled by the estimate process. It is only mentioned in the estimates. Information is provided, but it is not controlled at all. In fact, there is no formal review mechanism for Parliament on this 70 per cent of spending.

The parliamentary secretary commented, as he has before, on the question of the cost effectiveness of these cost control measures. I find it distressing that the question of cost effectiveness only seems to come up on cost control measures and never on the actual spending programs in the first place.

The hon. member for St. Albert gave us the example of the problem with the disability aspects of the Canada pension plan, which is a statutory program. I know in my own riding that we have recently dealt with cases where there are serious problems in program administration and in the attendant conduct and administration of the program. However, because it is a statuto-

ry program there is no regular review conducted through the parliamentary process.

The parliamentary secretary also mentioned the resources that it might tie up to review these programs. One fact that needs to be mentioned is that we are talking about a large number of dollars but a small number of programs. There are 11 major statutory programs. There are payments under the Farm Income Protection Act. There are payments under the International Financial Organizations Act.

• (1815)

There is the public debt charge program. There is the fiscal transfer program to the provinces. There are military pensions in the Department of National Defence; payments to the provinces for health and medical care; payments to the provinces for CAP, the Canada assistance plan; the old age security program; grants to municipalities and other authorities under the real property program of the Department of Public Works; post–secondary education payments; and payments to railway companies by the National Transportation Agency under the Western Grain Transportation Act.

These 11 programs account for 97 per cent of all statutory spending. In effect they account for over two–thirds of all federal government spending. They are the 11 programs for which the bill suggests there should be a mechanism to review on an ongoing basis.

It is a new way. It is a suggestion to deal with what are some fairly obvious difficulties. I hope no one in his right mind, even in the government, would hold up the way we have conducted the public finances of the country in the last generation as a proper way to do business.

We know from our background, wherever we came from, that we cannot run the Government of Canada as a committee of 295 people. We know generally what happens when committees try to run anything, but especially a committee of 295 people.

The bill suggests that Parliament use its authority, rather then just have vague political debates and vague political reviews, to set up a formal mechanism that properly evaluates the non–political aspects of major spending and that Parliament be provided with a formal way of reviewing the technical aspects. The inevitable political debates will accompany that.

I cannot see how that will use a lot of resources. I cannot see how it can possibly be ineffective in some kind of cost way. It would seem to me it is just a logical development now that the major programs occupy such a large percentage of our spending.

I know the hon. member for St. Albert is aware that adopting a bill such as this one would plug a very small hole in our boat. We have lots of holes. It is safe to say that we are not only taking in a lot of water. Our boat has been sitting at the bottom of the ocean for some time.

Maybe a bill like this one and thinking a little more constructively and innovatively in this direction would help us eventually construct the giant crane we will need to pull the financial boat up from the bottom of the ocean and get it back to the surface where it needs to be.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, I should like to participate in the debate from the perspective of a member of the House who is here to represent the constituents of Calgary Southeast.

I know why I came to Parliament. I came here to look for accountability. I came here to look for responsibility. I came here to make a difference. Those elements of my life are extremely important to me.

As I listened to my colleagues tonight I was absolutely astounded and amazed to realize how very little a part I can play in actually touching the heartbeat of government when I will not be able to make a difference in 71 per cent of its program spending.

This was a tremendous surprise to me and I guess I would have to say a major disappointment. In everything I do as I represent constituents of Calgary Southeast I look at the questions that were asked by my colleague from St. Albert. Is what I am doing relevant? That would apply to anything I would be reviewing here. Certainly when I look at applications that come from the human resources department for grants and applications to help employment opportunities, I always ask a question of the submission: Is it relevant?

• (1820)

What kind of effect will that relevance have not only on the constituents I represent but on all Canadians? I get all kinds of letters as do all members from constituents who are extremely frustrated with the spending practices not only of the government but governments of the past. If it does not pass the test of relevancy then I have to ask the question: Why not? What can we do to make it better? What can we do to fix it?

When looking at effectiveness and meeting its objectives I have to ask: Are the objectives even established? I cannot say the number of times I have looked at projects or proposals and there has been no long range planning.

The minister of defence has been challenged many times in the last month on looking at meeting objectives and having objectives for spending. They have been missing. I was absolutely amazed and appalled that although short term goals were

laid out in the budget that were to be met, the long range goal must have been missing. All kinds of changes to the budget came after the fact.

The hon. Minister of Canadian Heritage has been challenged a number of times on changes made to budget statements and to program estimates. If we are not effective in establishing objectives, how can we possibly hope to meet them if they are missing from the documentation?

I came here to vote on absolutely everything. On any piece of legislation that came before the House I wanted to give expression to what I felt was important. It disturbs me when 71 per cent of the decisions we make in the House of Commons are non–votable items. Canadians must be absolutely appalled to be hearing that tonight. I certainly am stunned to hear of that kind of spending without any accountability to anybody.

Where is the openness? Where is the effectiveness of the money I am giving to the government through my tax dollars? Where is the accountability?

Another question I often put when I receive requests for assistance is: Is the delivery efficient? If it is not, how can we continue to go through the process over and over again of giving money to the same kinds of programs without even looking at the efficiencies?

Once again we come back to objectives. Are their objectives in place? Are those objectives being met? In the corporate sector everybody always evaluates what they do. Business would not survive if it did not have that part of the expenditure process at the end of every year where an evaluation based on delivery is actually done.

My husband works in the corporate sector. Believe me, he is accountable to his managers and they in turn are accountable to their superiors to look at efficient and effective delivery of product. If that does not happen, they are out of business.

Then we come to the final question: Is there a better way? My colleagues from St. Albert in all good faith brought forward a non–votable bill. This is the place for rational and reasoned debate. This is where we should be able to talk about the issues of the day, to have a broad discussion with everyone participating.

What do we have? We have a handful of people standing in the House tonight talking about a major concern for Canadians: accountability in terms of how we spend money. It is disappointing to hear that we are doing well enough and that we can defend the status quo because we truly are into new times that demand a different point of view, a different way of doing business. If we undertake to look at it honestly and directly from a different point of view, we will be able to hold government accountable. We as parliamentarians will be able to stand in front of our constituents and say that we made a difference in the 35th Parliament.

• (1825)

The Deputy Speaker: There being no further members rising to debate the bill and it not being designated as a votable item, the time provided for the consideration of Private Members' Business has now expired and the bill is dropped from the Order Paper.

[*Translation*]

Pursuant to order made earlier today, the House will now proceed to a special debate.

* * *

[*English*]

PEACEKEEPING

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.) moved:

That this House, in light of the UN Security Council consideration of renewed mandates for UN forces in the former Yugoslavia, take note of the rotation of Canadian forces serving with UNPROFOR in Bosnia–Hercegovina and Croatia.

He said: Mr. Speaker, I welcome the opportunity this evening to have a debate before the government decides on yet another difficult position for Canada in terms of the deployment of its troops in the former Yugoslavia.

[*Translation*]

I would like to begin by drawing to the attention of the House the efforts of the international community to reach a diplomatic settlement of the conflict in the former Yugoslavia. The world community has made significant efforts to resolve the conflict in the Balkans and has used various means to do so, including crisis diplomacy, the imposition of sanctions, the establishment of prohibited air zones and, of course, the deployment of UNPROFOR.

[*English*]

Currently UNPROFOR is made up of 38 national contingents or specialized units, totalling about 39,000 military personnel. There are about 5,300 civilians also assigned to the particular force, making it the largest peacekeeping mission ever put together by the United Nations. Eleven NATO countries are providing about 44 per cent of the total personnel and Canada is foremost among those countries.

UNPROFOR was created in February 1992 specifically to monitor the ceasefire between the Croatian and Krajina–Serb forces, to supervise this demilitarized UN protected area, and to try to bring some kind of semblance of normal life back to the people in the region.

As the situation deteriorated to the south in Bosnia–Hercegovina in September 1992, UNPROFOR's mandate was expanded to provide security for humanitarian relief efforts in the region. As we know, an UNPROFOR element was deployed to the

former Yugoslav Republic of Macedonia to help deter possible aggression.

In the brief time I have this evening I want to talk about the situation in Croatia because it is becoming much more relevant to Canada and the Canadian position in the former Yugoslavia.

The conflict between Croatia and the Krajina–Serbs, as I said, has been at an impasse since 1992. At the root of the impasse is Croatia's determination to regain sovereignty over about 30 per cent of the territory held by the Krajina–Serbs who are reticent to disarm in the process.

Talks have been held under the auspices of the international conference on the former Yugoslavia in November 1993. A three–part strategy was set out to help resolve the problem.

[*Translation*]

First, a ceasefire had to be established, then discussions held on economic issues and, finally, agreement reached on a form of political reconciliation. This strategy permitted some progress.

In December 1993, the Croatian government and representatives of the Serbs in the area reached an agreement on setting up a series of ceasefires. At the end of March 1994, a general ceasefire agreement had been signed between the Croatian government and the Krajina–Serb authorities. UNPROFOR succeeded in making sure the agreement held, one of its various achievements in Croatia.

• (1830)

At the same time, this agreement caused considerable concern among the Croatian population. These people were afraid they would be victims of a situation like that persisting in Cyprus and were concerned that the country would be permanently divided by UNPROFOR.

[*English*]

Nonetheless, the general ceasefire did raise expectations that an economic agreement and ultimately a political settlement were within reach. Efforts to reach a lasting settlement in Croatia were dealt a shocking blow on January 12, 1995 when the Croatian president, Dr. Franjo Tudjman, informed the UN secretary–general that his government would not renew the mandate of UNPROFOR in Croatia beyond March 31.

President Tudjman said that Croatia's experience over the past two years had led him to conclude: "Although UNPROFOR has played an important role in stopping violence and major conflicts in Croatia, it is an indisputable fact that the present character of the UNPROFOR mission does not provide conditions necessary for establishing lasting peace and order in the republic of Croatia".

[*Translation*]

Before looking at the events in Croatia and at the United Nations following the dramatic statement by Mr. Tudjman, I would like to consider the diplomatic situation in Bosnia–Hercegovina. The efforts that went into resolving the conflict there paralleled the war itself.

At the start of 1994, Muslims and Croatians in Bosnia reached an agreement resulting in a ceasefire and constituting a major step in establishing a federation encompassing the two groups.

[*English*]

This ceasefire continues to hold. It is monitored by UNPROFOR. In central Bosnia, CANBAT 2 has tasks related to monitoring this ceasefire. Of course we have our troops also in the Krajina region, CANBAT 1. We also have a group largely in the service area located in Split.

This three–part conflict in Bosnia–Hercegovina has been stabilized to some degree. The international community has turned its attention to finding a solution to the conflict between the Bosnian muslims and the Bosnian Serbs.

As we know, to inject more life into this the contact group was established with Great Britain, France, the European Union, the United States and the Russian federation in April 1994. This group has worked particularly diligently in trying to get a solution.

Its first proposition was to redraw the map in a post–conflict Bosnia whereby the Bosnian muslims and Croats would receive about 51 per cent of the territory and the Bosnian Serbs about 49 per cent. The parties were also offered a number of incentives and disincentives to encourage their acceptance of the new plan.

Like previous international offers, the plan was rejected in a Bosnian–Serb referendum by more than 90 per cent of the voters. Despite these setbacks, the contact group and the warring parties have continued.

There was another development recently, before the year end. Former U.S. President Jimmy Carter met with officials in both Sarajevo and Pale and succeeded in negotiating an agreement for a countrywide ceasefire in Bosnia–Hercegovina and the opening of negotiations for an end to hostilities by January 1, 1995.

On December 31, 1994 the Government of Bosnia–Hercegovina and the Bosnian Serbs signed a cessation of hostilities agreement to take effect along the lines of confrontation for a four month period ending in April 1995.

This agreement is being supervised and monitored by UNPROFOR, including our troops. The agreement calls for a separation of the forces, full freedom of movement, the opening of the Sarajevo airport, restoration of utilities, exchanges of prisoners of war and the withdrawal of all foreign troops.

Throughout the first two months of 1995 the agreement held with only minor violations. By late February violations had increased and most observers do not expect a ceasefire to last beyond the next few weeks. We hope that common ground may be found between the parties whereby an agreement may be extended. One can only hope that these negotiations begin very quickly.

On the current diplomatic situation on the UN mandate, it is useful to set the tone. This is the backdrop by which we will perhaps redeploy our troops starting next week.

• (1835)

President Tudjman, after considerable pressure, very courageously decided to re–evaluate his original thinking. He agreed to a continuation of an albeit smaller UN reformulated presence, a different kind of mandate. It is more along the traditional peacekeeping lines that Canada participated in during our years in Cyprus whereby we work the line between two hostile factions.

President Tudjman envisages a new independent force to be established. This new mission should help to implement the ceasefire agreement and it should assist in the implementation of the economic agreement, the one I mentioned earlier. It should also put in place elements of the existing UN peacekeeping plan for Croatia. That continues to be accepted by both parties, including the maintenance of UN presence on international borders as well as confidence building and humanitarian measures such as assistance to refugees and displaced persons, protection of ethnic minorities, mine clearance, convoy assistance and the like.

As the current UNPROFOR mandate expires in two days, the UN must reach some kind of agreement on the renewal of its presence. The United Nations is now working very closely with all the parties involved to reach a workable agreement on this continued UN presence. Canada has been a party to many of these discussions.

The UN secretary–general has proposed three distinct missions in the region to meet the unique circumstances in Croatia, Bosnia and the former Yugoslav republic of Macedonia.

Canada's position is that we say to Canadians we know their feelings of pride in Canada in trying to assist in this very difficult situation in the heart of Europe. Canadians have been quite happy to do their part with their continued presence in both Croatia and Bosnia. We also understand that Canadians are becoming a little bit concerned that this deployment not be open ended and that we not continue ad infinitum.

I think we were in Cyprus for about 29 years. We do not plan to be in Bosnia and Croatia for 29 years. We on the government's part are obviously re–evaluating our commitment to the region. We do not want to walk out on our allies, on the UN. We have all been in this together. We believe there can be a negotiated settlement.

From a Canadian point of view, we hope that we can start to reduce our presence in the region somewhat but at the same time try to continue the good work we have been involved in. In other words, we believe that perhaps with a reformulated mandate in Croatia and a heightened Canadian presence there, we may be able to more effectively contribute in that area. That would be for the UN to decide whether or not it wants us to continue in both theatres, Bosnia–Hercegovina and Croatia, or whether or not it wants us to concentrate our efforts in Croatia.

These are the questions with which we are grappling at this time. Canada certainly is willing to continue to do its part in the region. We feel it is incumbent upon the government to listen to the views of members of Parliament.

As I said, two battalions of the Royal 22nd Regiment are ready to deploy. We have about 2,100 people in Bosnia–Hercegovina and in Croatia. We have another 400 to 500 in the area generally, the UN observers, the people with Operation Sharp Guard on our ships, and the people who have been involved in the airlift operation of supplies to Sarajevo. We have quite a commitment in the region.

Before I conclude, I want to underscore Canada's willingness to be flexible in helping the UN address the concerns. I also want to underscore the fact that Canada's commitment in this particular operation cannot last indefinitely.

• (1840)

We believe Canadians want us to review our participation. They welcome the views of parliamentarians to see whether we should continue with this particular rotation for another six months and perhaps talk about scaling down in the fall after we have further discussions. Perhaps the Croatian force itself, the idea of it, will become a bit more mature and well defined.

Perhaps the best posture for us to take is to continue with this rotation. As I said in the House the other day, we do have flexibility. We could decide not to rotate. We could keep some of our troops there for a number of weeks while alternate arrangements are made. Obviously, getting so close to the wire with a number of scenarios unfolding, especially with the new force in Croatia, we feel that may be very difficult to do from the point of view of the UN. We do not want to let the UN down.

However, we do believe we are coming very close to the point when Canada has to make some significant changes in its commitment in the region. We welcome any ideas the UN may have for continued Canadian presence which will demonstrate to Canadians that we are just not there indefinitely performing the same valuable functions, but that we are making progress

toward a peaceful settlement and that Canadian participation is helping to move in that direction.

I will be very interested to hear the views of members opposite. Unfortunately I will not be able to stay for the entire debate. My parliamentary secretary is here, as well as the Parliamentary Secretary for the Minister of Foreign Affairs, who will be taking notes and taking part in the debate.

I want to assure hon. members that once we have the views of the members this evening, they certainly will be taken into account. The government will address the views expressed in the debate tomorrow morning. We will have something more to say on the matter of the deployment at some point tomorrow.

[*Translation*]

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I think that we can all congratulate ourselves for the fine job our Canadian soldiers did in Bosnia and Croatia.

Having said this, I do not think we can be so proud of what the Canadian government did and above all of what it failed to do during these peacekeeping missions, since the situation is far from rosy in Bosnia and Croatia as the UN's mandate expires and as we draw near to the end of a very important ceasefire in Bosnia.

On the diplomatic level, the situation is at a standstill, the stalemate remains to be broken and the efforts of the contact group have been relatively unfruitful. Therefore, compared with last year, it is a dead–end situation which has dragged on. There is not even a hope on the horizon of resolving it peacefully.

On the military level, the situation is hardly any better, it is even worse than it has ever been and, recently, the situation rapidly deteriorated once again. We know that over the past four days or so, there have been no fewer than a dozen confrontations in Bosnia, mostly orchestrated by the Bosnian government. It is attacking strategic positions in the hopes of gaining more leverage in negotiations, and of course the Serbs are retaliating. There have been 12 to 14 battles over the past four days.

The Serbs, quite recently by the way, have opened up artillery fire on four positions in protected areas, in contravention of all of the existing agreements. Last Sunday, Bosnian Serbs called for a general mobilization, which will certainly not relieve any tension in the area. At the same time, the new general of UNPROFOR, Rupert Smith, who is from Britain, threatened air strikes against Serb positions if they shell neutral zones. The Serbs issued a reply, of course: they would consider all peacekeepers stationed there as enemies if NATO were to attack their positions.

• (1845)

We know that the Serbs are serious when they make threats of this kind, since they took and held hostages, around fifty Canadian peacekeepers, the last time we used air strikes.

In reality, we are faced with, on the one hand, the Serbs, who have decided to wage a war of attrition, mostly against peacekeeping missions. The Serbs know that we are there temporarily, that it is costing us, that public support for a peacekeeping presence in the former Yugoslavia may wane, that one day we will have to leave, and that, from that moment on, they will have the Bosnians' blood. They, who have been fighting for centuries, know that they have all the time in the world and that it is essentially only a matter of time.

So they say let the hands of time keep on turning, in the end, it is the Serbs who will prevail. After spending so much money, unfortunately also after wasting so many human lives, the Allied Forces of the UN will have to withdraw, probably in humiliation, and leave the area for the Serbs' taking. Their calculation is quite obvious. They do not negotiate or they negotiate only when threatened by an immediate air strike. As soon as the heat is off, before the coalition can regroup, they return to their former positions, they violate ceasefires, they attack protected zones. It is an never–ending cat and mouse game.

As for the Croats, now that the mandate is about to expire, they have all kinds of demands: that the mandate be redefined; that units be split up—apparently, the UN is about to agree to this demand—so that, instead of a single UN force, there would be three contingents, one in Macedonia, one in Bosnia and one in Croatia, under a diversified command which could be a UN general co–ordinating operations. But they also have demands regarding the contingents. Although we are currently unable to carry out the missions entrusted to us, although there are not enough troops to do all the tasks that are assigned, they want to reduce contingents from 12,000 to 5,000 troops. We are negotiating with people who need our presence to keep the peace, who need enough people to achieve the desired results.

All this after nearly two years of presence if not more and for us, Canadians, $314 million in expenditures, 10 soldiers killed during operations, not to mention those who have recently committed suicide—we do not know too much about this, but we can assume that some suicides are linked to the operations conducted over there or feared by those who do not want to go.

This is the context in which the government is inviting the opposition parties to participate in a debate, but a debate on what? The motion calls for the House to take note of the April rotation of Canadian forces. What does that mean? Does it mean that it has already been decided that there will be a rotation? Will the government claim today that no decision had been made

yet? Does this mean that tomorrow night, the government could move to replace 1,600 troops, two 800 member contingents, and deal with aircraft, logistics, transportation, options? Are they trying to tell us that no decision has been made yet?

The very wording of the motion shows that I am right. They are laughing at Parliament today. They are laughing at us.

Some hon. members: Hear, hear.

Mr. Bouchard: A debate on what? What kind of debate is this? How can we seriously debate this issue, when the government has not even taken stock of the situation over there, when there is no assessment, no information? All that we know, we have learned from reading the papers. The government never provided us with any significant, specific and clear information on anything that went on over there. It never told us how the operations were evaluated, or what it was prognosticating. We were never told whether our troops were there for the duration or only a certain length of time, and in which case, how long that would be. We know nothing. We are kept in the dark.

We are expected do drink in the words of the Minister of National Defence and take leaps of faith, sign blank cheques and continue to send troops who operate in total frustration over there, not knowing what their mandate is, not being authorized by military authorities to conduct the operations that need to be conducted. They are helpless witnesses to revolting situations: children being tortured and killed, people being blown to pieces, civilians becoming live targets for blind fire from the hills. We are despatching our troops under very poor conditions. Are they there for the duration and under what conditions?

• (1850)

I think that the position the government finds itself today is such that it does not have much of a choice. The only argument it has left is to say: "We do not have any choice; we have to maintain our presence over there". The worst of it is that they are right: we do not have a choice.

We do not have a choice because, by its failure to act, its negligence and its superficial commitments, the government has put itself in such a position that we do not have any choice any more. A government or state that bases its policies on arguments like: "We do not have a choice" is in big trouble.

I think that this is the kind of action that has to be decided as a matter of choice, deliberately, for humanitarian reasons, on compassionate grounds, as a show of solidarity. In this case, the decision is based on an absence of policy. This government does not have a policy.

I dare anyone to get a serious response from government to the questions: what is Canada's policy regarding peacekeeping missions, what are the guiding principles, on what basis are decisions made regarding these operations? These questions will remain unanswered because they do not know.

We know for a fact that the government, through its members on the foreign affairs committee which reviewed Canada's foreign policy, agreed with the opposition that some criteria and standards were now required, and that we could no longer make individual commitments on a case–by–case basis in operations such as this one, where people die and where incredible amounts of money are spent in vain, without making a difference. The fact is that we did not make any progress whatsoever since last year. On the contrary, the issue is becoming more and more insoluble and it is increasingly obvious that we have reached a deadlock.

We wanted to get information from the government. We wanted the government to table these documents and set up a House committee, but all we got was an advance notice of a few hours yesterday. Indeed, yesterday afternoon we suddenly received notice of a debate on Bosnia and Croatia. Earlier today, we managed to get a one–hour briefing from defence officials who were very co–operative in answering our questions. However, we did not get the necessary files, the basic information required.

If the government is serious about this issue, it should allow a House committee to review the situation and hear witnesses, and it should also make these documents available. If we have to respect parliamentary secrecy, if the members of such a committee have to work in secrecy, they will do it. We are all responsible people, whether we belong to the Reform Party, the Bloc Quebecois or the Liberal Party. We could conduct an in–depth review of the situation in Bosnia and Croatia, because right now we do not know what is going on.

Because the government let the events dictate its policy, we do have to remain there, since nothing was solved and the situation is still the same. From a humanitarian point of view, we are well aware that if, under the current conditions, UN troops were to withdraw, including the Canadian peacekeepers, the whole Sarajevo population could die of hunger.

All the food that enters the city is airlifted by UN forces, along with water, gas, medication and so on. People barely survive in extremely harsh conditions and almost unacceptable sanitary conditions, but they do survive thanks to the humanitarian assistance provided by peacekeeping forces in Bosnia.

We are well aware that the UN mission in Bosnia is essentially humanitarian in nature. It is a military one in Croatia, since there is a buffer zone that keeps the factions apart with, in the

middle, the UN forces. But in the case of Bosnia, it is far more than that. It is humanitarian. It is a matter of helping people to survive.

So can we just decide to withdraw? Of course not. We know perfectly well we cannot. The government knew this. The government thought that by starting this debate, it would necessarily get the support of the opposition.

However, although we cannot do otherwise, we are aware that the government has failed in several respects, in that it does not put its cards on the table and give us a chance to make informed decisions. In a democracy, people want to make informed decisions. They want to know why, because they want to choose the best option. In this case, we have no option.

From the military point of view, we know what would happen if we left right away. We know that in Croatia, it would be a signal for all–out war. People are just waiting for a chance to attack each other. And of course in Bosnia, the Serbs would try, and they would probably succeed in settling their differences with the Bosnians, in ways we can well imagine.

• (1855)

Without the presence of tv cameras and without UN forces, we can imagine the kind of atrocities that would take place. It would be total war, a war that would not be contained, that would spread to the Balkan powder keg towards Greece. We know that the Greeks sympathize with the Serbs and have done so for centuries, and that the Serbs might depend on the support that the Greeks might be tempted to give them. The Turks support the Bosnians.

Finally, there are any number of reasons why we would see an incredible explosion of hostilities with all the consequences this might have for relations between the major powers. What would be the position of the Soviet Union if there was an outbreak of armed conflict of this magnitude? We can assume this would make international tensions even worse tense. In other words, we are trapped.

What we would like to see is for the government to commit itself, with the help of the opposition who would be glad to oblige, to identifying certain criteria before getting into this kind of trap, and second, to setting conditions for the renewal of the mandate. I think the government should set certain conditions. It has already said that it would not agree to have the arms embargo withdrawn. I think the government has already adopted this as its policy, and we support that policy. I think one of the conditions would have to be that the embargo must be maintained, because on the American side, there is a strong movement in favour of lifting the embargo.

Second, it must ensure that ceasefires will last. Ceasefires tend to have a very short life expectancy in that part of the world. There have been dozens and dozens of cease–fire violations. We must be able to set certain conditions. The UN will have to agree to identify more specific mandates. We must have a better idea of what we are going to do. To what extent can we reciprocate and in what way?

We have to know more about this, especially in connection with air strikes. For instance, does General Smith have the authority to carry out the threat he made recently without any input from Canada? Can they go ahead with air strikes without consulting the Canadian government? The answer would seem to be yes, in certain instances. It appears that, for reasons of defence, for example, General Smith is at liberty to launch air strikes. This is less clear in the case of offensive action, in which Canada apparently has some say, if only for reasons of defence, which we understand, in order to protect the lives of the peacekeeping force.

This means that things can escalate. We know very well how the Serbs will react to air raids on their positions. It is the people in the area who will pay. Who is going to be there? Our soldiers. There is also the whole question of morale in the Canadian armed forces as a backdrop. We will talk about this again in the House.

It seems to me the Canadian forces are going through a crisis. It seems to me that these peace missions have severely taxed their ability to meet these challenges. We might be tempted to think that, for the military, these missions are exotic tours of duty in faraway lands. Some might think that since apparently they do not have to engage the enemy, it is not an unpleasant business. We realize, however, that these missions are very hard and, perhaps, harder psychologically than traditional missions, because there is no clear objective, because these people often do not know why they are there and because they must remain impassive in the face of totally incomprehensible, uncivilized and unacceptable behaviour.

I think the Minister of National Defence should say more in this respect to the House. I am sure he has reports on morale in the Canadian forces, and I believe it is in the interest of all of us in this House to be informed of the constraints and of the actions that need to be taken in this area.

Therefore, the opposition's response, the one the government expected, the one it forces us to give, is yes. A very conditional yes. A yes that comes with lots of questions and doubts. Not a very happy yes.

Some hon. members: Hear, hear.

• (1900)

[*English*]

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, at the outset I would like to advise you we will be splitting our times—

The Deputy Speaker: There seems to be confusion about that. After the first three members, no member can speak for more than 10 minutes and so we will not have the dividing of time. This member has 20 minutes.

Mr. Frazer: Mr. Speaker, I hate to start on a complaining note, but I feel I must. The timing of this debate is the one I would like to address. I would much rather have risen to my feet to discuss our commitment to Bosnia and Croatia in December or I suppose we could have accepted January.

To be rising two days before the commitment is to come to an end seems to me to be very late in the game. Moreover, until very late this afternoon there has been no consultation whatsoever or briefings presented by the government. This seems to be a very dramatic oversight on the part of the government.

I think that the opposition parties, while we represent different philosophies, are certainly also trying to represent Canadians and present their views in this House.

It strikes me that we have two committees, the Standing Committee on National Defence and Veterans Affairs and on foreign affairs, both of which would be appropriate forums to have discussed the possibilities of extension, the difficulties and the ramifications of extending the mandate in Bosnia.

We have heard overtures that this might happen, but as yet it has not. I think it is a dramatic oversight on the part of the government. I request very strongly it reconsider this and in future involve the opposition parties more deeply in this type of negotiation.

To move into the situation, the background on Croatia is that it is a true peacekeeping operation as the definition goes. It is basically a separation zone which keeps antagonists apart. Once again I would like to pay tribute to our troops not only in Croatia but in Bosnia. They have done superb work and unquestionably are, if not the most professional, among the most professional who are performing the duty in the UN mandate.

Bosnia is a totally different mandate because, to use the official term, it is humanitarian assistance. It is to try to separate three different groups of people who are rather antagonistic toward each other. They are again doing very good work under extremely difficult conditions that have really constrained their activities to a tremendous degree.

By virtue of their flexibility, their professionalism, they have managed to create homogeneous or friendly situations—friendly is probably going too far—but acceptable situations in areas by interceding on a personal level with the local leaders. By showing without any question they are totally unbiased, that they have no favouritism, they have performed very well.

It could be fairly safely said that Canada and perhaps one or two other nations are the only ones that can make the claim of being completely and totally unbiased.

The problem is there have been many violations of agreements. We have seen rapes, we have seen murders, we have seen atrocities that are unspeakable. These are conducted by people who are committed to hate each other. It seems such a shame. It is such a beautiful country and there is so much prospect for it to prosper. Unhappily, it is caught up in what is truly a war.

We have seen hostages taken. This comes about as a result normally of NATO exerting influence to try to coerce or force people to abide by agreements that they have made but choose not to abide by.

• (1905)

Canadians I think are in a particularly vulnerable position in this case because we are the only ones, to my knowledge, who are actually occupying positions in Serb held territory. The other UN forces are not so deployed.

As a result, if the UN calls on NATO air support to achieve a change of heart on the part of Serb aggression, the Serbs will in all likelihood do as they have done before and they will take Canadian hostages. This has happened twice now and I think it is pipe smoking opium if we do not think that it will happen again if the situation arises.

UN patrols have been fired on in both Bosnia and Croatia. In Croatia at New Year's two of our Canadian UN peacekeepers were wounded and it was only by some extraordinary effort on the part of one of them and good hospital facilities that resulted in no Canadian fatalities in this instance.

There were a total of nine soldiers killed in the UN commitment in the former Yugoslavia. I think it is likely that if the situation continues, and it does appear to be heating up, we could very well be in danger of having even more casualties.

We have seen the lifeline of Bosnia put in extreme danger or even cut off completely. The Sarajevo airport was closed for an extensive time. As recently as a couple of days ago UN aeroplanes were being shot up as they went in and out of the airport. This impacts of course on the ability of the UN and UNPROFOR to perform the duties they are there for which is to provide humanitarian assistance by delivering supplies to the people concerned.

The problem is that there does not seem to be any particular desire on the part of the antagonists there to abide by agreements that they have made. We have seen aggression in the form of UN declared safe zones which are totally ignored and in fact attacked in dramatic fashion by the opposing forces, particularly the Serbs in this case.

It appears that the UN really is a toothless monster. It makes agreements, gets concurrence in those and then the antagonists decide which one they are going to adhere to. As I mentioned before, we have seen atrocities committed and even now we are seeing more battles between the ethnic groups in the area.

As far as any cease fire agreement, and we are now in an realm where a cease fire was declared some time ago, there is no cease fire because as the hon. leader of the official opposition has said, in the past four days I believe there have been 14 different violations recorded. As I understand from the briefing we were given an hour ago, these are relatively major incidents that are recorded because the sniper who shoots at an individual in Sarajevo is not considered to be a reportable incident. I am told that on average there are between 80 and 200 incidents reported daily. That adds up to a pretty hot war situation.

All this came about because of mandate deficiencies. First, we did not have agreement from all parties concerned to involve ourselves or the UN in the area. We decided to impose ourselves there and they said: "You are here but we did not agree to you being here". There is no indication that they have changed their mind on that at all. They will go along with things they agree with, but the instant that it does not suit their purpose they go back to doing what they want to do. There is without question a lack of desire to achieve a peaceful resolution.

I must say that if there were any sort of a light at the end of the tunnel, a view on the horizon, that there could be an accommodation which would last it would be a very different solution than we are facing.

We have seen that UN agreements are unenforceable. The UN makes an agreement, people come forward and sign off on them and then sometimes within hours or a few days the thing is violated and it is gone.

• (1910)

It is patently obvious that despite the embargo arms are getting through. Word has it that the Bosnians are now armed to the extent that they feel relatively capable of operating on an even footing against the Serb forces. There is a lot of question as to the capability of the various forces, but it seems without any question that there is every likelihood that there will be what is referred to as a spring offensive. I sincerely hope this is not the case, but certainly every indication is that the war or the fighting in the area is becoming worse rather than tailing off.

I think there are some unique Canadian problems which should be discussed. I will start with equipment. The government and the chief of defence staff have said—the chief of course is required to say that—that the equipment in fact is functional and is adequate. I would call it obsolescent, if not obsolete. Certainly when we were on the ground in Bosnia and in Croatia, particularly in Croatia with the M–113 armoured personnel carriers, there was no question in the minds of the people who were using them that this was not a piece of kit that they really enjoyed. They are unreliable. The tracks broke regularly and they were not sufficiently armoured to do the job they were intended to do.

The solution to this of course was to add additional armour to them. The problem with adding additional armour is that it adds to the weight. Adding to the weight means that the drive train will be in trouble, the suspension will give up and the fuel consumption will rise tremendously. That is not an adequate solution.

The radios are vitally important in that situation, with observation posts and troops deployed in various areas; to be able to talk to the guy you want to talk to when you want to talk to him. We heard time and again from people that their radios were broken down. Everyone has become a fixer of communications equipment. That is unacceptable.

The flack jackets that our personnel wear there are cumbersome and uncomfortable. We saw in Croatia a new design which was being tried out, but the ones which were issued to our troops, in their opinion, are unacceptable.

We have a very poor night vision device available. That is absolutely unacceptable again because a lot of our observation posts are involved in night observations and if they cannot see or use them properly this is not good.

I think the business of helmets has been discussed a couple of times and I understand if it were not so tragic it would be humorous. When we got the Kevlar helmets they were not blue. We decided to paint them, so we went out and bought some paint. The only problem was that the paint reacted with the Kevlar and they became soft and basically useless. The other UN forces I think who use those helmets have put canvas covers on them. Again, I do not think we did our homework.

We also have a problem, in my estimation, with our people. First of all, I want to pay tribute to the co–operation, the professionalism, the dedication and the sincere interest that our people have shown and the way they have conducted themselves. However, I think we are rotating them through the operational zone too often. We have people who have been there three times. Soon if we keep up the rate we are doing, if we renew the commitment, we will have people on their fourth tours of operation.

Many of these people are volunteers, and I understand that. However, I still think that from a man management point of view, this is not the way we should go. It is fine for the troops who are in the zone, but their families are tremendously impacted by the fact that they are away. Dad is out of the picture or, in some cases, mom. The children suffer, the family suffers and therefore it has to impact to an extent on morale.

There is an increase in the incidence of alcoholism in the units that have been deployed. There have been increased disciplinary problems. This is natural because people are under an awful lot of tension and it will unquestionably affect them.

• (1915)

The whole thing boils down to a morale problem which I think would be difficult to deal with at the best of times. Added on to other problems that the Canadian force are now experiencing I think it is somewhat devastating. Basically we are asking our troops to be burned out. I do not think we can afford to do that.

With regard to the mandate in Bosnia and Croatia, Reform in December last year laid down what we thought were four reasonable conditions which Canada should demand or we should withdraw. First, peacekeepers should be left alone. They should not be taken hostage. They should not be interfered with. Second, we asked that the Sarajevo airport be opened and left open in order that humanitarian assistance could be brought in. Third, we asked that all aid convoys be able to proceed unimpeded. Finally, we asked that a ceasefire be in place and be holding and be seen to be holding.

The only one of these four proposals that has been met, and that is only recently, is the one to leave the peacekeepers alone. The Sarajevo airport has been closed many times. Aircraft have been shot at. Aid convoys have been held up or refused passage. Of course it is obvious there is no ceasefire and it is not holding.

The Reform Party believes the solution to this is that Canada should accept the situation is not now resolved, nor is it likely to be in the near future. This is a situation where there are no white hats. Every one of the ethnic people in that area are to some extent responsible for atrocities: the Croats, Muslims and the Serbs. Some may be more prone to it than others but everyone is guilty to an extent.

As I said just a few moments ago, Canadian resources are stretched to the limit. We should be aware of this and we have to accept it. It can be safely said that Canada has done her share. We have now committed our troops there for three years. We have done exemplary work. I do not think that anyone can point at Canada and say that we are not pulling our weight.

There are other UN forces committed there that are much less efficient. Some of them are not doing their job at all. One particular unit, which I will not mention by name, has brand new armoured personnel carriers bought by the UN, purchased in Korea, and it refuses to use them. It wants to keep the mileage low because the UN depreciates them and it is then going to take them home in almost brand new condition.

Other contingents will not go to the front lines. They will support only one side or the other in the conflict. It is only Canada and a few other nations that are truly perceived by the antagonists to be unbiased and impartial.

The Reform Party proposes that Canada should say: "We have done our share. It is time to withdraw our forces from Bosnia and Croatia". We should say to the United Nations that we understand that it will take them some time to find replacements. I suggest that an initial timeframe of three months' grace be given, after which time Canada would withdraw from the region.

I believe this is possible in Croatia. It might be more difficult in Bosnia. I do not think that Canada would be unreasonable if the time has to be extended. It could be but I think it should be extended by very short increments.

Finally, we should have learned a very dramatic lesson from our involvement in Bosnia and Croatia. All of us have at some time understood that we got in there with the thought that we were going there to do good. We have done well. The problem is that there was no agreement.

Canada should insist for instance that there be a time limit on our involvement. There should be an insistence that the people who are there want us there and that they want to come to a peaceful solution, that they want to solve the thing.

The matter of rules of engagement must be very clearly specified and they must be acceptable to Canada before we say yes we will go in. The financial aspect should be discussed and approved.

• (1920)

Unless we do this, Canada may once again wind up in a commitment such as we have here where our withdrawal, without question, will result in an accelerated conflict. I see no way of avoiding this. By Canadians staying there we are just extending it.

As the Leader of the Opposition said, we were 29 years in Cyprus and we certainly cannot stand 29 years in Bosnia and Croatia.

Therefore, the Reform Party advocates that Canada tell the UN that we would like our commitment to come to an end. We will give it a three–month period of grace after which time we will effectively withdraw.

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, we are witnessing today the democratization of Canada's foreign policy. It began with the review by the joint committee of the Senate and the House of Commons with certain recommendations to the government. The government responded and in that response it said that it wanted to involve Parliament in future important defence and foreign policy decisions. Therefore, I am very pleased that we are having this debate tonight. I recommend that we have more such debates.

Two weeks ago the Minister of Foreign Affairs appeared before the Standing Committee on Foreign Affairs and International Trade. At that point, the minister wanted to know the positions of the official opposition and of the Reform Party. I will come back to that.

Although I am pleased we are having the debate, I was truly shocked and disappointed by the remarks of the Leader of the Opposition when he opened his remarks by stating that he cannot be proud of what Canada has done or has not done. We on this side are very proud of what Canada has done in this conflict and we continue to be proud and supportive of these people.

He went on to blame Canada further. He said that Canada had not done anything. Does the Leader of the Opposition not realize that we are one of a team and we cannot act unilaterally? I guess the team approach to things is not in the leader's vocabulary.

Does he not realize that presently there are about 35 countries with 43,000 troops involved here? If it was not for all the negotiations that have been going on over all these years and all the troops and countries participating, who knows if we would not be in the middle of world war three today?

Yes, lives have been lost. Yes, it is expensive. However, thank God that countries like Canada are participating because we may have warded off another world war.

The Leader of the Opposition went on to complain that all we were debating the rotation and that the rotation has been decided. I ask the Leader of the Opposition to read what it is we are debating. It states:

> That this House, in light of the UN Security Council consideration of renewed mandates for UN forces in the former Yugoslavia—

That is what we are debating. We are debating whether Canada should continue to keep its forces there or not. The rotation comes automatically. After the troops have been there six months they are replaced. However, if after a month Canada decides to pull out its troops, it pulls out fresh and strong troops, not tired troops.

It is the mandate we are debating. The rotation is automatic after six months. I was disappointed that the hon. member could not distinguish between that.

• (1925)

He went on to say that we have no choice. I thought he was going to say that we have no choice whether to stay or pull out. We do have a choice. That is why we are having this debate.

The Prime Minister, the Minister of Foreign Affairs, and the Minister of National Defence said that before making an important decision like this one, whether or not to renew the mandate, Parliament would be consulted. That is what we are doing. To stand and say that we have no choice does not help the government. We are looking for some leadership from the opposition to help Canadians make an important decision.

The Leader of the Opposition went on to say: "What is Canada's policy in peacekeeping missions?" I suggest he read a bit of history. By going back to when the Prime Minister of Canada, Lester B. Pearson, recommended the peacekeeping forces. That role continues. We are changing that role. We are looking more at preventive measures, but the peacekeeping role continues. That is why Canada holds such an enviable position around the world.

The Leader of the Opposition does not seem to realize that conflicts since the end of the cold war are much different. In those days, one state attacked another state. Peace was made and we sent peacekeepers to keep the peace. Now it is internal conflicts. It is ethnocultural conflicts. It is tribal conflicts, wars, killings and genocide within a country. That is a totally different kind of challenge.

I was pleased that the Leader of the Opposition ended by saying: "Yes, we should renew the mandate". However he puts certain conditions on it. I guess it was a conditional yes. To be honest his remarks did not help the government very much to decide whether we should continue our mandate and keep our peacekeepers there or not.

The official spokesperson for the Reform Party complained that we had no consultations. We have had consultations through the whole foreign policy review. The government responds. The foreign affairs standing committee had the Minister of Foreign Affairs before it just two weeks ago. We discussed the Bosnia–Hercegovina conflict. The minister asked point blank the members of the official opposition what was their position. The answer was similar to what we got tonight.

When the minister asked the Reform Party, what the position was, the response was that they are split 50:50 on the issue. I was pleased that today the Reform Party made it clear that its position is to withdraw our forces. At least we know what the stand is, the position of the Reform Party.

To answer the Leader of the Opposition, I want to remind him that Canada remains one of the strongest advocates of reinforcing UN's conflict prevention and conflict resolution capability. We have been working with like–minded countries at the UN to bring about reforms that will provide the organization with the political, financial and military tools it needs to fulfil its growing responsibilities.

Canada is conducting a study on a UN rapid reaction capability and will host an international conference on the subject next week. We are organizing with our partners peacekeeping semi-

nars in the context of PAC, Regional Forum and the Organization for American States.

We are also working with the Organization of African Union to improve the capability of African countries to better contribute to peacekeeping operations and preventive diplomacy.

I do not want to finish my speech on Bosnia–Hercegovina without mentioning to all members that we have gone beyond peacekeeping. We are looking at conflict prevention. We are looking at reforming the United Nations so that our peacekeepers can be sent with a much clearer mandate.

• (1930)

I appeal to all members who will be taking part in the debate tonight, to the independent members, to the members on our government side, to the members of the Bloc Quebecois, the members of the Reform Party, to help the government make this important decision. Let us put our partisan politics aside. Let us hear what our constituents are telling us. Then we can make a very knowledgeable, intelligent and the right decision for Canada and hopefully for bringing peace to that area.

[*Translation*]

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, it is an honour and a privilege for me to participate in this debate today on the participation of Canada in peacekeeping operations, and the one under way in the former Yugoslavia in particular.

However, before I go any further, allow me to share a few thoughts, as the Leader of the Opposition did, on how this emergency debate was called by the government.

First of all, what does the motion before us say? It says: "That this House, in the light of the UN Security Council consideration"—which, by the way, has not been done yet—"of renewed mandates for UN forces in the former Yugoslavia, take note of the rotation of Canadian Forces serving with UNPROFOR in Bosnia–Hercegovina and Croatia".

Mr. Speaker, the deadline is March 31, two days from now. With a deadline days away, the government decides to call an emergency debate, with 24 hours notice, on this issue.

We do not have the slightest idea of what the terms and conditions of this mandate will be that the UN Security Council will review. As I said, while the current mandate regarding Croatia is due to expire on March 31, the Security Council has yet to make a decision on a new mandate. We do not have the slightest idea what is involved here, if, for instance, there will be a reduction in forces, as the Croatian government has given to understand. We do not know whether troop rotation will take place. We do not know. What we do know, however, is that the necessary logistic arrangements have already been made for Canadian troops to be rotated on Monday. That much we know.

In order to be able to prepare for this debate for which the government gave us very little time, with only a few hours notice, we managed to meet briefly, less than an hour actually, just two hours ago, with officials from the departments of National Defence and Foreign Affairs. And that was only possible because we had requested to meet with them; otherwise, I wonder if any information would have been made available to us. We were fortunate to receive, minutes ago, a number of backgrounders from DND.

How do you expect us to be able to make any significant contribution to a fundamental debate like this one under the circumstances?

This debate aimed at renewing—even if the motion talks of "taking note" of—Canada's peacekeeping mandate in the former Yugoslavia is somewhat inconsistent with the conclusions of the Special Standing Committee Reviewing Canada's Defence Policy and especially the dissenting report drafted at that time by the Bloc, which defines a number of criteria to be met for our participation in peacekeeping operations instead of making decisions on a piecemeal basis, as the Leader of the Opposition said. Again, we are acting on a case–by–case basis and that is disgraceful, given the recommendations in the report.

This shows the arrogance of this government, which took for granted that the opposition would give the motion its benevolent support. Why did it take this support for granted? Because, as the Leader of the Opposition said, we have no choice. How can we, at this stage, withdraw from the former Yugoslavia?

• (1935)

The government, riding the wave, decided to call a debate at the last minute, just before the end of the mandate, and force parliamentarians to settle this matter, thinking that it would obtain the benevolent and unanimous consent of this House.

This debate is all the more surprising in that, on March 14, as the parliamentary secretary to the Minister of Foreign Affairs rightly pointed out, the Minister of Foreign Affairs appeared before the Standing Committee on Foreign Affairs and International Trade. As the parliamentary secretary rightly pointed out, the minister asked Reform and Bloc representatives to state their positions on the renewal of the mandate of Canadian peacekeepers in the former Yugoslavia.

The minister said the purpose of his initiative was to avoid having to hold a debate in the House. We very spontaneously stated our position to the minister, without having had time to prepare. In spite of that co–operation, we find ourselves in a debate on this issue. I fail to understand the logic of this government.

We of course supported the renewal of the mandate of Canadian peacekeepers in the former Yugoslavia, but with some reservations. We have to make sure that our presence is still required, and we must also ensure that our peacekeepers are safe in the theatres of operations.

We also want to raise the issue of suicides. There is some extremely disturbing information to the effect that a number of soldiers committed suicide either after participating in peacekeeping operations in the former Yugoslavia, or because they did not want to take part in these operations. This is most disturbing. Some facts will have to be thoroughly reviewed.

Given these considerations, I am somewhat surprised to find myself debating the presence of our troops in the former Yugoslavia, less than two days before the expiry of the UN forces mandate in that region, and particularly in Croatia.

In any case, the previous debates on this issue provided us with an opportunity to express our views and to hear the views of others.

I do not think that we should go back, today, and repeat everything that was already said on the issue. Instead, we should try to see why Canadian troops should withdraw from that region, or remain there.

A primary concern, to which I briefly referred earlier, is the danger faced by our troops stationed in the former Yugoslavia. This issue, which was also raised in previous debates, must once again be considered now.

Indeed, given the numerous violations of the cease–fire, our troops, on any day, could be dealing with a bloody war, as opposed to a conventional peacekeeping mission. Let us not forget that ten peacekeepers lost their lives and many others have been injured since the first Canadian peacekeepers arrived in the former Yugoslavia.

Similarly, a truce signed by the Bosnian government with the various warning factions in Bosnia was violated repeatedly during the past few weeks. Furthermore, the Bosnian Serbs recently threatened the international community with retaliatory action against the peacekeepers if the Bosnian Serb forces were hit by NATO air strikes.

In a way, and we see this in the media, since the beginning of the conflict in the former Yugoslavia, the situation has hardly improved, on the contrary. Today, battles are raging throughout the territories coveted by the various belligerents. Today, people are suffering from a lack of food and fuel, lack of medical drugs and health care, lack of adequate housing, peace and safety.

On the other hand, we should also consider the excellent job being done by our troops within the UN theatres of operations. Our troops continue to provide the peoples of the former Yugoslavia with shelter, food, clothing, protection and moral support. Since the fall of 1991, nearly $60 million has been spent on the purchase and delivery of food, medicine and clothing, on shelter for the homeless and on assistance to refugees, displaced persons and victims of violence.

• (1940)

I feel that as long as the presence of Canadian troops is required and useful, there is no doubt that its presence must be maintained. By sending troops to the former Yugoslavia, Canada has made an important choice. It cannot afford to ignore a situation where human beings are experiencing an unspeakable tragedy. Granted, the help provided by our soldiers is not a panacea but at least it can alleviate the suffering.

To bring back our peacekeepers in these circumstances would not only mean abdicating our responsibilities and moral obligations as human beings, it would also extinguish that flicker of hope these people still have, people who for the most part are innocent victims of man's inhumanity to man. It would also mean leaving them to face a tragic escalation in the current conflict. No, we cannot go backward today, we have no choice, in the words of the Leader of the Opposition.

However, we need some answers about the safety of our troops should the embargo be lifted and in the event of air strikes. We need to know about the willingness of local authorities to have our troops remain there. We need answers about the cases of suicide in current peacekeeping operations. We need to look deeper into this troubling situation. Of course, we are in favour of keeping Canadian troops in the former Yugoslavia, but, unlike last year, I do not think the government can assume each year that it has the opposition's support.

The government must provide an assessment of the situation and explain to us how it has changed. We have had no assessment and no explanation of changes in the situation. We have no idea, apart from the bits of information we gleaned this afternoon. We have not had an opportunity to find out details of what is happening in the field, and I think that, if we are to have a serious debate in this House, the government must give us this information.

[*English*]

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I am pleased to enter the debate this evening. I want to put into perspective what Canadian troops are doing.

Right now we have in the former Yugoslavia, and I refer mostly to Croatia and Bosnia, roughly 40,000 United Nations troops from 35 countries participating in a variety of operations. We in Canada have the fifth largest operation and we have deployed roughly 2,100 troops. They are engaged in four main operations. There is the operation in Bosnia in which we have approximately 820 troops. They are mostly engaged in relief convoys and the protection of human beings, humanitarian protection.

In Croatia we have 770 peacekeepers; combat troops engaged in traditional peacekeeping, looking at the ceasefire areas and preventing skirmishes.

We have another operation in the southwest part of Croatia, on the coast, in Primosten, just north of the larger city of Split, where we have roughly 265 troops. They are logistics troops and represent the logistics battalion.

We also have a separate operation, which is actually a fifth operation. It is an air operation that has Hercules flights from Italy to Sarajevo to keep the airport open. There have been 1,600 flights. Roughly 11,500 people have been transported to and from the airport and 26,000 metric tonnes. That is an achievement in my mind.

Last but not least we have in the Adriatic coast a Canadian destroyer with 265 Canadians as part of the 15 nation, 21 ship force enforcing the arms embargo. This operation is one of which, despite what the opposition parties say, we are very proud and will continue to be.

• (1945)

We have been involved in this operation, if we include its beginning, from September 21, 1991 as we have in most UN operations that have ever happened in the world. That we have a reputation that is enviable is an understatement. We have heard all of it before in the House.

The question for debate tonight is whether we continue the mandate. Before I address the question I want to comment on something the hon. Leader of the Opposition said and something the hon. member for Saanich—Gulf Islands said.

The Leader of the Opposition said that he deplored the fact that we were speaking so late, that it essentially gave no choice to Parliament. The hon. member for Verchères said that he would like some comment from this side of the House on why we are having the debate so late.

I remind the House that the Leader of the Opposition was a member of a government that deployed troops and committed Canada to the gulf war without as much as a word of discussion in the House of Commons. That was absolutely despicable. All Canadians thought it was outrageous.

To have the Leader of the Opposition criticize the government for having the fourth debate on peacekeeping in 18 months plus other debates, one of which took place last week on defence, is absolutely disgraceful, outrageous, misleading and intolerable.

The hon. member for Saanich—Gulf Islands complains that we are not having a debate on this matter. When it was put forward at the meeting last night I understand there was some question in the Reform Party whether it wanted to debate it. Whether or not the Reformers are being childish because it was at this point in time I do not know. It was not until late in the evening that they decided they would have the debate. I do not accept these complaints.

I want to make another point with respect to the opposition. The hon. member for Saanich—Gulf Islands spoke about renewing the mandate. He did nothing but moan about the Canadian forces and talk about morale.

If members of the opposition parties, particularly the third party, would refrain from taking brown envelopes from disgruntled people and using them on the government to reduce the credibility of the very credible actions that are taking place from day to day, I would suggest the morale of the Canadian forces, whatever state it is in now, would be a hell of a lot better.

I do not mean for the hon. member from Saanich—Gulf Islands to be a target; in fact we are quite good friends. He debated and complained about the state of equipment in the Canadian forces. We just finished a 10–month discussion on defence where all these matters were brought out. They were part of the white paper. They were addressed in a report to Parliament and are being addressed in the white paper.

I know he wants to be on record as to his knowledge of defence. He has made his point. I will make my point that we are aware of these deficiencies and the government is addressing them, including 3,000 more peacekeepers to make sure that the rotation is better than it was.

The mandate is a hard judgment to make. The support for peacekeeping in my constituency and in those parts of Canada to which I travel, including 10 months on the standing committee's defence policy review, was very strong. I sense that today it is not as strong as it was six months ago. I suggest the reason for that is the perception that we are not making any headway.

How can we expect significant progress to be made in a country where conflict has been ongoing for almost a thousand years? I do not pretend to understand all the politics. I doubt if all of us in the House, if we were put together, could understand what is happening there.

Where does that leave us? Should we not renew our mandate as 1 of 35 countries because we feel progress has not been made in peace?

• (1950)

There is more to it than that. We are supplying humanitarian aid. We are supplying hope to a country where hope is hard to come by.

I remind everybody in the House, particularly the members who were with me 10 months ago as we spent some time in Bosnia and Croatia, of a mental institution in a town called Bakovici where many inmates were murdered, raped, tortured and mutilated. The remaining inmates, the poor souls, we saw them. They were being protected by members of the Canadian

forces. It would rend one's heart to see this place in operation. There are many other examples.

The humanitarian aspect would be sorely missed. I fear, because of the Canadian reputation in peacekeeping, that our decision to exit would give a signal that perhaps would not be conducive to world stability, particularly world stability in the Balkans.

I agree with my hon. friend from Saanich—Gulf Islands who says that ideally we should have a clear mandate. We should have a clear set of operating instructions. Ideally we should have acceptance from the countries we are participating in and a clear set of rules of engagement. These points and principles were included in the white paper. I fear they are not being totally regarded in our participation in the ex–Yugoslavia.

We do not live in an ideal world. Is the contact group, the five countries that were formed last year to negotiate a settlement, making progress? I think it is but it is very slow. If we accept this mandate for another six months how much longer are we prepared to go? I cannot answer that. I would say, as the minister of defence said, that I do not believe it is the intention of anyone in Parliament to have a commitment in ex–Yugoslavia that would last for 29 years.

We are a long way from 29 years. Yes, there are risks. Yes, there are many land mines. Yes, there are snipers. Yes, there are flareups. However the situation in ex–Yugoslavia now, despite the 14 ceasefire violations in the recent past, I am told by the operators is not much different from what it was three years ago.

Let us stay the course for this round. Let us help in the humanitarian aspect. Let us contribute as much as we can to the peace negotiation. Let us go forward with hope that we will see an amelioration of the situation if not an end to the conflict.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, it is truly a pleasure to speak this evening on peacekeeping in the former Yugoslavia.

I emphasize a few of our concerns regarding the lateness of the debate and how it is just two days away from the mandate ending. I discussed this point with the minister a month ago. It was felt that we could be part of briefings much earlier and that then we would look at whether we needed to have this debate. We felt that before a decision was made there could be all–party involvement. We would agree. We would work toward that. We would co–operate in every way possible.

This last minute type of thing certainly makes us wonder how serious the government is and what is the real purpose of our being here. Let us take that it is for honest reasons and that the government really wants to hear what we have to say.

To move to the issue itself, as the foreign affairs critic for the Reform Party I state very strongly and clearly, as did the last speaker, that Canada should not renew its peacekeeping commitment to Bosnia or Croatia.

Canadians have served honourably for almost three years now but enough is enough. Canada has performed above and beyond the call of duty in all its commitments to the UN. No country can say that we did not try our utmost to re–establish peace and facilitate a long term negotiated settlement to the disputes.

• (1955)

The facts are sad but obvious. The warring parties have shown no serious commitment to peace negotiations. Over the winter many have rearmed and resupplied their soldiers so they can start fresh fighting in the spring. The mid to long term prospects for peace are bleak and no amount of Canadian peacekeepers can change that fact. If we could just see light at the end of the tunnel, possibly this speech could be quite different.

The Reform Party believes the time to leave is now. If predictions about an increase in the level of fighting over the late spring and summer are true, we must act quickly to pull out our troops now. It may not be easy but now is our best chance to get them home without incident. If we wait and things get tougher, our troops will face an even greater unnecessary risk.

Last fall we saw how increased levels of fighting led to a corresponding increase in hostage taking of UN soldiers. This could happen again if we fail to act decisively now. The conditions in Bosnia during high levels of fighting remind me of the Eagles song "Hotel California". I will not sing it because it would certainly clear the House. Basically the words are: "You can check out any time you like but you can never leave".

If Parliament dithers we may find some time down the road that we want to check out but will not be allowed to leave without fighting our way out through militias and possibly even through civilians. If we are to act responsibly we must leave now.

As far as Croatia is concerned its president does not want UN peacekeepers any more. Although he is no longer forcing the UN out, he has demanded that it scale down its operations dramatically. As the process is going on Canadian troops would have a perfect opportunity to end their tour there without disrupting the ability of the UN to fulfil its new and more modest mandate.

Speaking in more general terms about Canada's role in peacekeeping around the world, it is high time that Parliament rethink how we can be most effective in our UN commitments and set clear criteria for our participation in future missions. We are not saying to get out of peacekeeping; we are saying to set the criteria.

Canadians are not prepared to give up on their proud traditions of caring and intervention for the sake of peace. However these times cannot be seen from a purely international perspec-

tive. Our foreign commitments must be in harmony with our domestic needs. Therefore we must be sure when we support peacekeeping that we are operating in Canada's best interests and within the very real financial constraint that must be the primary concern of any good government.

We must pick our spots and we must choose wisely. Today's debate should be a step in that direction. One thing is clear. Canada can no longer be the 911 phone number for the world or for the UN. As much as we want to help others, this desire is tempered by the fact that we cannot be all things to all people. Therefore it is better that we help effectively in a few cases rather than spread ourselves too thin. In this way Canada can protect its own vital interests and provide the most effective help for the international community.

As we examine the issue of peacekeeping it is worthy of note that since the end of the cold war the demand for peacekeepers around the world has sky–rocketed. If the past few years have taught us any lesson it is that instability will continue. New hot spots will continue to crop up and Canada must be ready.

If more requests come from Africa, Southeast Asia or the former Soviet republics, how will Canada respond? Clearly Canada must establish criteria to test the importance of each request for our help. While this is a sensitive issue and I do not claim to have all the answers, I would argue the following could be considered by Parliament when deciding whether to approve of peacekeeping missions.

First, the conflict's impact on the state of international stability is an obvious test of whether Canada should get involved. If the conflict has a serious potential to escalate or destabilize a whole region, we should consider it seriously when making our decision.

• (2000)

Second, geographical ties are very important. For reasons of regional stability, the world would be a better place if countries co–operated to make sure that their own part of the world remained stable. Where peace does break down, regional organizations should co–operate to make things right. After all, it will be the member nations of such regional groups that have the greatest interest in restoring stability. For logistical reasons as well, proximity is an important factor in determining whether a country can respond to a crisis in a timely and effective manner.

Third, humanitarian considerations must also be taken into account. While Canadians want bang for the buck they also want Canada to maintain its tradition for compassion.

Fourth, our prior commitments must be given more weight than is the current practice when determining what else we are going to do. We only have so many troops and a limited amount of high quality equipment. We owe it to our troops to be fair in our decisions where to send them and to make sure that we do not overcommit our forces. They are the Canadian forces, not the Canadian foreign legion.

Fifth, Canada's economic ties are an important factor in determining how willing Canadians should be to commit their resources.

In conclusion, the time has come for us to take a step back to reorganize ourselves. The first thing we have to do is withdraw from the former Yugoslavia. Canadians have been looking for a negotiated peace there for three years but none is on the horizon.

If the UN sees value in continuing the peacekeeping mission, then it is time for some other UN country to hold the fort that Canada has so admirably defended for so many years. Our troops should be congratulated and brought home to their families.

Once we withdraw from Bosnia and Croatia and before we send our troops on yet another indefinite mission with uncertain dangers and at an unknown cost, let us establish a credible set of criteria upon which we can depend to make sure that we pick our spots wisely. Canada can still be an innovator and a leader in the area of peacekeeping, but we have to make some difficult choices and we have to make them now.

Mr. Bill Graham (Rosedale, Lib.): Mr. Speaker, it is with a great sense of privilege and responsibility that I rise in the House to debate this extraordinarily important subject this evening.

I feel particularly responsible, given the incredible role our troops are playing in the former Yugoslavia. I sense like every other member of Parliament the responsibility we have toward those marvellous men and women for what they are achieving in that difficult part of the world.

In trying to understand this matter, I have asked myself four questions. I think we should consider them when we discuss whether it would be appropriate to withdraw our troops at this time or to continue the mandate until a more orderly type of withdrawal can be achieved with either the whole of the United Nations forces or of our own troops.

The four questions are these: Are our troops performing an important role where they are? Is their contribution special? What would be the consequences of their withdrawal? How are our overall interests served by their presence there? Let me take the time to examine those issues.

Is the role of our troops in the former Yugoslavia an important one? To that I think every member of this House would have to reply an unqualified yes. Looking at the area of peacekeeping, our troops have performed an exemplary service I would say at the core of the United Nations operation in the former Yugoslavia. They have had a great deal of success. Of course there have

been problems, but overall we should look at the achievements on the peacekeeping side.

Our troops are very close to Sarajevo. Our troops are in one part of the former Yugoslavia which covers all three belligerent areas. Our troops are the only ones covering that delicate and sensitive area. Our troops are playing a primordial and important role in terms of peacekeeping. They are performing a role of humanitarian aid which was so effectively described by the member for Bonavista—Trinity—Conception that I need not repeat it. However, we must bear that in mind.

[*Translation*]

The second question I asked myself was is our contribution significant? We are but one of 35 countries in the former Yugoslavia and have contributed 2,000 soldiers to the 43,000 troops stationed there.

• (2005)

The Leader of the Opposition said that he was not proud of the contribution our troops have made. Like the parliamentary secretary to the Minister of Foreign Affairs, I personally am proud of our troops' accomplishments in the former Yugoslavia. I am proud of their humanity and proud of their professionalism.

The other night I saw on television a young sergeant who had an enormous responsibility. Day in, day out, with unparalleled devotion, intelligence and professionalism, this peerless soldier resolved issues and extremely difficult problems.

I am convinced that the regiments who will replace the troops there now, such as the 22nd Royal Regiment from Quebec, will serve in the tradition that it has maintained for the duration of its long and glorious history.

Therefore, I reject the Leader of the Opposition's statements. I reject the statements of the hon. member for Verchères. I believe that this is not a partisan issue and that this debate should rise above any inappropriate partisanship. We should be examining these serious issues from the viewpoint of the well–being of our troops and our country.

[*English*]

Let me ask the question: What would the consequences be of a withdrawal at this time? We know this is a tense situation. We have read what Lord Owen has said about the difficult situation that prevails there at the moment. What would the effect be of our withdrawing our troops at this time? What would the effect be on the other UN troops there? Think of the demoralizing effect that would have on them. Think of the effect on the belligerents.

We, along with our allies, took extreme umbrage at the suggestion by the leader of Croatia that UN troops should be removed from Croatia. We told him that UN troops must be kept there because it is a tinderbox which is likely to explode into uncontrolled war if UN troops are withdrawn.

Having exercised that influence on the leader of Croatia, are we to withdraw those troops? Are we to create the very situation of ethnic cleansing and problems that we have seen in the past? I ask myself what the effect of withdrawal would be. I suggest that it would be a precipitating event in creating a crisis.

The member for Red Deer does not seem to be taking that into account. He is suggesting that we can steal away in the night like a Turk with bag and baggage, that no one will miss us and there will be no consequence of that. There will be a consequence. If we try to steal away we may create the very situation of war which will make it impossible for us to withdraw in an orderly way. On top of that, we will leave exposed in the former Yugoslavia the magnificent Mounties who are serving there in a civilian way which is truly an extraordinary example of Canadian devotion.

Last, is it in our global and general interests to be in the former Yugoslavia until a more orderly withdrawal may be organized? It is true, as the member for Red Deer may say, we have done our share. There is no one in the House who would say that we have not done our share. I dare to say there is nobody among our allies who would say we have not done our share. I am sure there is no one in the civilian population of the ex–Yugoslavia who would not say that the Canadian troops have done their share.

The question is not that. The question is whether or not our general interests are served by our staying there and continuing to do our share, continuing to help the people of ex–Yugoslavia and continuing to help the cause of peace as it is to be developed. I would suggest that the effect on our allies would be extremely devastating if we were to leave at this time. Our European allies are counting on our being there.

When we consider issues of global security and foreign policy we must never divorce one issue from another. Does anyone in this House not doubt the fact that one of the reasons we have been so successful in dealing with the Europeans over the issues on the Grand Banks is precisely because we are in Yugoslavia and because we are a force in Europe? Our European friends cannot turn to us and say: "We can treat you the way we want to".

• (2010)

We are making a contribution in Europe. We are helping the Europeans solve their problems. We are helping solve world peace in our own interests but in their interests as well. That makes us a force in world affairs. It gives us a force in dealing with them in every other sector. We must never forget that. That

is what strategy is about. That is what foreign policy is about. We cannot ignore these larger issues.

Furthermore, what about the Americans? If we withdraw on the ground, the United States at this moment is taking the attitude that it can stand above these frays. It can fly over at 30,000 feet and not put troops on the ground. We have a moral superiority in dealing with our American colleagues at this time because of the tremendous contribution our forces are making. It establishes a credibility in dealing with the United States that we must never forget.

We owe it to our forces on the ground. We owe it to those magnificent troops.

Finally, we owe it to ourselves in terms of the United Nations. The House has often spoken about the need for the United Nations to be revitalized. This House has often spoken about the need for a more effective United Nations if Canada's interests and values are to be protected in the world. Those interests and those values will be protected by our continuing to be a reliable member of the United Nations forces and enabling the United Nations to improve its situation.

I leave by suggesting that our interests require us to stay at this time. Furthermore, our troops there are enforcing Canadian values by performing a humanitarian and difficult task in terrible circumstances with a devotion and superb professionalism of which all of us may be very proud.

[*Translation*]

Mrs. Christiane Gagnon (Québec, BQ): Mr. Speaker, before starting my speech, I would like to respond to my colleague from Rosedale. According to him, the Leader of the Opposition said that he was not proud of Canadian troops. I am sorry but the hon. member for Rosedale is distorting the comments made by the Leader of the Opposition.

My colleagues and I heard the speech delivered by the hon. member for Lac–Saint–Jean. He is a responsible man. He is more concerned about the living conditions of Canadian troops on peacekeeping missions. He is also concerned about the measures taken after they return home. He is concerned about the problem of suicide among Canadian troops. I wish to set the record straight: he is an honest and responsible man whom we all hold in high esteem.

It is with great sadness and emotion that I will, in this debate, try to paint a rather grim picture of the situation in the former Yugoslavia. Zvornik, Srebrenica, Bratunac and Grobnica were the sites of massacres in which up to 3,000 civilians were killed. The Omarska camp was the site of mass executions and torture. At the Celebici camp, at least 15 Serbs were beaten to death last August. An individual called Borislav Herak killed 230 anonymous civilians. Last August, 50 Serbian women and children were killed by two Croatian members of paramilitary forces.

In Varjanta, more than 200 Muslims were massacred by the Serbian police. In May and June, between 2,000 and 3,000 Muslims were murdered by Serbian irregulars in a pig farm and factory near Brcko. Countless Muslim women were raped by Croatians.

That is the other side of the conflict in the former Yugoslavia. That is the reality sometimes obscured by the rhetoric. That is, however, why our troops are serving with the UN.

How did it come to that? How did the situation deteriorate to this extent, as is often the case in armed conflicts, with innocent civilians being massacred, women raped, ethnic cleansing? I have no desire to set myself as a strategy expert nor do I claim to be. My main concern this evening and the most serious aspect of this conflict, in my view, is the impact on civilians and on our troops.

Coming back to the loss of human rights issue, here is some background information. It should be pointed out that all protagonists in the conflict have violated the rights of their minorities from the beginning. I would like to read from a document produced by the Canadian government. It reads:

• (2015)

"When the federal republic crumbled, the Serbs wanted to make sure that their people would remain together within the same territory. That is why they tried to spread their domination to regions where large ethnic minorities live as well as to new States run by non–Serbs. Other groups, such as the Croatians and the Muslims, wanted to consolidate their position in the new States by depriving other ethnic minorities, including the Serbs, of their rights".

The ethnic cleansing sought by both sides led to murders, rapes, torture and other forms of intimidation aimed at making the members of particular ethnic groups flee their homes and villages and take refuge in the zones claimed by other ethnic groups. Such attempts to achieve ethnic cleansing have had tragic consequences: over 100,000 people killed and hundreds of thousands injured; thousands of Muslim women raped; and three million people displaced or forced to take refuge in neighbouring countries, without mentionning the acts of torture, the illegal arrests and the arbitrary detentions.

Let me discuss for a moment the impact of those rapes, particularly in the context of Muslim society. It has been reported in the media that women who are raped by men from other ethnic origins must often face reprisals from their own families. Almost a whole generation of women was sacrificed. Indeed, in addition to the physical and psychological trauma with which these women have to deal, their whole families and

social lives were shattered. The scope of this tragedy leaves us at a loss for words.

It is to help the civilian population that the UN forces were deployed in that region. Peace is the most precious thing for any nation. The right to life and to one's physical integrity is the most treasured one. The international community, through the UN, felt an obligation to maintain peace, in spite of the enormous financial and military costs involved. Canada made a contribution from the very beginning and decided to pursue its commitment, although with some reservations and doubts. We agree and we have no choice. Indeed, the consequences of a withdrawal of the UN forces would be tragic for the population. The attacks would start all over again. We know that as recently as last week, there were 14 outbreaks of armed conflict in Bosnia.

Genocide would resume, and help would no longer reach the various communities, with consequences one can well imagine. However, we must also consider the impact of these operations on each individual member of our peacekeeping forces. It seems that in some cases, the impact is considerable. Some problems have already been identified. There is of course the conditions in the field which may have an impact on physical health. And there are also conditions we could qualify as environmental, like bombings, hostage takings, the hostility of part of the population and armed attacks intended to threaten and humiliate the soldiers.

What is most traumatic is being powerless to intervene pro–actively in the face of so much horror. There is also the daily confrontation with human misery, with the very visible impact of war on the civilian population. There is fear and boredom. That was also the point my leader, the leader of the opposition was trying to make.

All these factors contribute, to a greater or lesser degree, to the deterioration of the physical, psychological and mental health of our peacekeepers. A number of questions come to mind. First of all, were they given adequate preparation and training before they left? Second, was there a proper evaluation of the tasks they would be given so they would have a better idea of what they could expect? When they return, do they have access to the support and services they need to resume a "normal" life as members of their community? Apparently not, since it was found that among peacekeepers and their friends, the suicide rate was higher than average.

These are all issues that must be addressed if we want our involvement in peacekeeping missions to be humanitarian for those who are on the receiving end and for those who go on these missions. I deplore the fact that this government failed to table a statement describing the conditions under which our soldiers have exercised their peacekeeping mandate so far. We are faced with a fait accompli. Our answer to the government's request to renew the peacekeeping mandate of the Canadian forces is yes, but.

• (2020)

[*English*]

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, this has been not merely a valuable debate but an innovatory debate in Constitutional law of Parliament terms.

It was intended by the United Stated Constitution, to which some of the members of opposition parties referred, that questions of peace and war and commitment of armed forces be always submitted to Congress for decision.

We know that historically American presidents evaded that in invoking presidential power. What is fascinating here today is that we have come to Parliament. We are consulting Parliament on the renewal of the mandate and we have established a parliamentary practice that will not likely be changed in the future.

It will now be part of our constitutional law that where there is a commitment to be made of Canadian forces, it will be more than a telephone call at 5 a.m. from a foreign head of government and a Canadian Prime Minister replying yes sir, without any thought of the roles and missions of the forces to which he is committing Canada.

There are mistakes here and we can identify them readily if we survey the history of peacekeeping in its classical form as developed by our then foreign minister, Lester Pearson, for which he won the Nobel prize for the interposition of unarmed UN forces between armed combatants who had decided to cease operations and were looking for a face saving way out of it.

The classic situation was in Suez in 1956. It was muddied in the Congo in 1960–61 when the secretary–general of the United Nations in moves that ultimately brought his own destruction and death interjected political motives that had not been cleared in advance. Many of us would believe they were the correct political decisions but the political motive intervenes.

If we look at the two operations in recent years in which we have been most involved, Croatia and Somalia, we find operations in which the political commitment was made to engage Canadian peacekeeping forces but without a prior adequate definition of goals and missions.

This is the tragedy in Somalia. A classic peacekeeping operation was converted into a mission with political objectives, arguable and even questionable because they ignored the existing power structure there which was necessary to the effective operation of the UN forces.

In Croatia conflicting political agendas had been set by European powers that were in some respects reviving their old quarrels of pre–1914. I would not wish to censor the government that made these decisions without prior discussion in Parliament, without prior examination of the roles and missions in which we are engaged, but it is clear there was a fault there.

Our real issue today is that Canada entered into operations, engaged our forces, engaged our word as a nation and we are bound by that commitment in terms of consequences. We cannot lightly walk away. In other words, a new political situation is created by our act however much the present government and opposition parties might wish to question the original political premises on which the predecessor government engaged Canada.

I have some suggestions to make in terms of the continued operation of the Canadian peace forces in Croatia. It is clear if we ought to be there it is to be in a classic peacekeeping sense. We are not there as a chapter seven of the charter, a peacemaking operation in which we have a defined political goal that involves the application of military force for its achievement.

This was never our role. It is not our role today. It may well be the objective of some of the people presently engaged in the same operation. One of the problems here is the problem of state succession to the former communist republic of Yugoslavia. It was about to break up, as Turkey was in the 19th century. It created the predecessor of Yugoslavia, Serbia and Montenegro. It was a situation of state succession in which European powers met together and realized that one cannot have recognition of new states without a precise and equitable definition of frontiers.

• (2025)

That was not done here and in a very real sense it is a mistake to attempt it under the guise of a peacekeeping operation. Therefore our message to the government should be that the predecessor government engaged Canada in the operation. We cannot in good faith walk away. We are responsible in measure for what has happened since. We should limit our responsibility to the UN mandate, the maintenance of a political military situation created by the parties, agreed on by the parties as a cease fire and no more.

If there is to be an issue of political goals to be established, we should call for another congress of Berlin. The treaty of Versailles to which we are signatory, our first international act, establishes just such a machinery.

If it is to be a matter of defining frontiers, let us have a larger European conference of which we are part. Let us get those frontiers defined. Do not try to do this under cover of a military peacekeeping operation. Do not charge our soldiers with the responsibility of making political decisions. It is beyond their special competence. It is beyond their mandate. It is manifestly unfair to them.

I say congratulations to the government for establishing what I hope will become a precedent that before Canadian forces are committed we will bring the matter to Parliament. Second, we will insist on maintaining respect for the UN charter and respect for UN peacekeeping operations as defined in chapter six.

Special Debate

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I would like to start by reiterating the motion:

> That this House, in light of the UN Security Council consideration of renewed mandates for UN forces in the former Yugoslavia, take note of the rotation of Canadian forces serving with UNPROFOR in Bosnia—Hercegovina and Croatia.

We are taking note and Canadians are taking note. Canadians are generally proud of the role of the Canadian forces in peacekeeping. They very much respect the humanitarian role that can be played. I do not think they are totally aware of both sides of the equation from a military point of view.

On a very basic level if the troops are told, as they have been recently in Valcartier, they are next in the slot, the morale of the troops increases and they say: "Good. We have a job to do, let us do it". If they have been trained for it, as most of them have, they can do a very creditable job.

The problem is that this has gone on for too long. While there is a momentary surge in morale, the piper must be paid after that. If the troops get rotated with too great a frequency, we have a problem. If the troops do not have the wherewithal in equipment to carry things out, there is a problem. If defects are perceived in leadership in the Department of National Defence or within the Canadian forces, there is a problem. If the terms of reference in the first place are inadequate, there is another problem.

While it is good for the Canadian public to support its peacekeepers, as I do, I nevertheless have to sound a note of caution that all is not that well. There are many impediments, many problems to overcome. The longer we are in this business the more those problems are evident. I would like to agree to some extent with my colleague from Vancouver Quadra who was extolling the virtues of the government by saying that it was doing the right thing by consulting Parliament. I agree, it is a good thing to do.

• (2030)

The government made a start on this a year or more ago when this Parliament began. However, I have to question its sincerity when looking at the events of today. Although the mandate for our troops expires in two days' time, the government only yesterday announced the special debate of today. That is totally inadequate. However the intent may be correct. To put it in general terms, as the hon. member for Vancouver Quadra did, it is a good thing to consult Parliament. I wholeheartedly agree with that. It is a good thing to consult Parliament, but let us do it effectively, not in a cursory way.

A good part of the reason for the Reform members' position is that we established in discussion among ourselves what we consider should be the conditions for sending troops on peacekeeping operations. One was that peacekeepers should be left alone to do their job in the Bosnia area. The second was that the Sarajevo airport should remain open. The third was that convoys

should be able to operate unimpeded. The fourth was that there should be a ceasefire in place and holding.

All of those conditions have been violated. Atrocities are occurring, Canadian hostages have been taken, UN patrols have been fired on, so–called safe areas has been fired on, landings at Sarajevo have been stopped. We have ethnic quarrels going on all the while. In fact, the ethnic quarrels are at the very root of our objection to this whole situation. There will be no basis for peace in the former Yugoslavia until the residents decide they want peace. If it is going to be ethnic group against ethnic group, religion against religion. It is going to go on and on.

Canadians found themselves as peacekeepers in Cyprus for 29 years with no way out of it. We finally pulled out and the situation is no worse now than it was before. I am not trying to simplify this situation. It is fraught with danger.

Let me speak to the other side of the cóin. How much danger is there? I ran into Major–General Lewis MacKenzie of Yugoslav fame a week or so ago. He sent me an article which he had had published in the New York *Times*. I would like to read part of what he wrote. He was talking, by the way, in favour of the UN leaving, certainly in Croatia. He wrote:

> If President Tudjman gets his way and the UN withdraws from Croatia, war will follow and it won't be a short, local war between Croatia and the Krajina Serbs. The Krajina Serbs have been "assisting" the Bosnian Serbs in the battle for the Bihac pocket and they have recently signed a co–operation agreement for common defence which includes provisions for a joint defence council.

General MacKenzie's knowledge, having been on the ground there is far superior to me.

• (2035)

He concludes in favour of keeping troops there.

> Surely this is the real litmus test for the UN in the new world order. It is up to the permanent five of the Security Council, led by the U.S.A., to make sure the UN is not found wanting on this issue. Failure to do so will sentence the Balkans to an even bloodier future.

This is a knowledgeable statement from a knowledgeable person. It says to me, why should Canada interpose itself to the degree we seem to be doing and saying we are responsible for the whole safekeeping of that area? It is a UN responsibility. I quite agree with General MacKenzie that pressure should be put on the UN, led by the U.S.A., to do something about the situation.

I would go beyond that and ask what is NATO's role in this. NATO surely has a role to play. It must exercise its influence in the area. Going beyond that, I would ask about the contiguous countries, about Greece, Turkey, Albania and all those that are affected. Where are they? They must take some responsibility in this whole thing.

We wind up with this problem. Unless the situation can be orchestrated by the UN, by NATO, by the countries in the area and by the ethnic groups in that troubled area saying "we want peace", Canadians cannot impose it on them.

Our military situation is well known. Our troop rotation is too frequent; the equipment is inadequate; the troops are carrying too big a load for the resources they are being given. We have the Jeffries report out of Petawawa. We have the Oehring report out of FMC saying there are problems within the Canadian forces. These problems are of morale and leadership. We had better straighten up that situation on our own home ground.

To conclude, if there is no chance for peace, if there is no desire for peace by the people who are there, we cannot impose it. It will do our country, NATO, the UN and the countries in that area a lot of good if we are seen to be stopping now. Blow the whistle and say: "Whoa, let's start over. Let's see what it is we are doing. Let's give notice now and take it from there".

Mr. Janko Perić (Cambridge, Lib.): Mr. Speaker, I am pleased to rise this evening to discuss once again the issue of Canada's role in peacekeeping operations in Croatia and Bosnia–Hercegovina.

In preparing to speak today I reviewed my notes from two previous speeches on the same matter. I came to the realization that not much has changed. The United Nations is no closer today to implementing its mandate than it was on January 25, 1994 when I first spoke in the House on the issue.

One–quarter of a million displaced persons in Croatia alone are no closer to returning to their homes. Croatia's international borders remain unsecured. One–third of the nation's territory is currently occupied. I have been advised that since January 1995 the army of Yugoslavia has moved in over 900 troops, 25 tanks and ground to ground missiles, all under the watchful eye of the United Nations.

While all–out war did subside with the original arrival of the United Nations protection force in 1992, little else had changed. We must ask ourselves, is it any wonder that the Government of Croatia wanted to terminate the United Nations mandate? We must ask ourselves, are we accomplishing enough in Croatia to warrant our continued presence there and our continued expenditure of Canadian taxpayers' money?

• (2040)

I am certain that most members can understand Croatia's frustration. I am not so sure that we can answer the second of my questions quite so easy.

Last month the members of the Canada–Croatia and Bosnia–Hercegovina parliamentary group hosted a visit by parliamentarians from the Republic of Croatia. During that visit it was made very clear to me and my colleagues that the Croatian government was adamant about not renewing the UN mandate. In fact, Mr. Ivica Racan, the leader of the opposition Social Democratic Party of Croatia indicated to me that the one thing all parliamentarians and citizens of Croatia were in agreement on was that it was time for UNPROFOR to leave.

After the meetings with Mr. Racan and Drs. Domljan and Greguric I truly believe that the Canadian peacekeepers would be coming home. I can honestly say that I have very mixed feelings about that. While I could understand the frustration of the Croatian government and the Croatian people, I was worried that an escalation in fighting might occur, thus once again placing the safety of many innocent civilians in jeopardy.

Then on March 12 came what appeared to be good news. The president of Croatia, Dr. Franjo Tudjman, held a joint press conference with U.S. Vice–President Al Gore where it was announced that Croatia would accept the further international presence on its territory if a new UN Security Council mandate could be agreed on and that certain conditions were met.

Those conditions included: one, control of international borders between the Republic of Croatia and the Federal Republic of Yugoslavia, between the Republic of Croatia and the Republic of Bosnia–Hercegovina and at principal crossing points not now controlled by Croatian authorities; two, control access and communications for UNPROFOR and other international humanitarian operations to Bosnia–Hercegovina through territory not currently under the control of the Croatian authorities; three, facilitate and continue implementation of a ceasefire agreement on March 29, 1994 and an economic agreement on December 7, 1994; four, facilitate implementation of future agreements aimed at reintegration of Croatia and facilitate implementation of relevant UN Security Council and general assembly resolutions.

The Copenhagen agreement engineered by U.S. Vice–President Al Gore which showed so much promise is today in jeopardy. Last week UN Secretary–General Boutros Boutros Ghali forwarded the proposed new UN mandate to the Government of Croatia. The problem is that this so–called new mandate is little more than a rehashing of the old Vance–Owen peace plan. This is not what the Republic of Croatia agreed to in Copenhagen.

In a letter to UN Secretary–General Boutros Boutros Ghali dated March 27, 1995, a couple of days ago, Dr. Mate Granic, Croatia's foreign minister stated:

> I have the duty to inform you and the Members of the Security Council that the Republic of Croatia shall not accept the new mandate of the new peacekeeping force on its territory after the present mandate of UNPROFOR in Croatia terminates unless the following conditions are met:
>
> One: The name of the new operations contains the word Croatia; explicitly confirming the fact that the new operation is to be carried in its entirety on the sovereign territory of the Republic of Croatia; and,
>
> Two: The mechanism of the active control of international borders of the Republic of Croatia in the parts that are not at this moment accessible to the Croatian authorities by the new force are negotiated in detail on the basis of relevant Security Council resolutions and have gained prior formal approval of the Government of Croatia; thus the mechanisms for active control of Croatia's international borders under the new mandate must be clearly established consistent with paragraph 12 of Resolution 820 (1993).

• (2045)

The words of the Croatian foreign minister make it very clear to me that Croatia means business. Either change the mandate to reflect the Copenhagen agreement or get out. If somehow, and I am hopeful, a new agreement can be reached, Canada must decide whether it is in our best interest to keep our peacekeepers in Croatia.

If we decide to remain in Croatia it is imperative we play a role in negotiating a new mandate. This is one thing I have found extremely disturbing throughout this entire mission in Croatia and Bosnia–Hercegovina. Canada appears to have had very little influence in the overall decision making process. We have the fifth largest contingent of troops in Croatia and Bosnia–Hercegovina, 2,100, yet we have been completely shut out of the so–called contact group which has been making decisions on strategy in the region.

Our neighbours to the south with only 890 troops and Russia with 1,400 peacekeepers have been playing chess with our men and women in this lengthy international conflict and we cannot allow this to continue. The safety and integrity of our troops rest solely on our shoulders. If we stay we must demand a more active role in negotiations that will ultimately affect the well–being of our peacekeepers.

In addition to playing a more active role in the negotiating process, we should also be encouraging our southern neighbours to put their money where their mouth is by increasing their presence in the region.

Canada is a proud peacekeeping nation. Our troops have done a good job in Croatia given what they have to work with. I believe the Croatian government can confirm that.

However, if there is not a new mandate, if we will simply be helping to maintain the status quo and if the lives of our peacekeepers will be placed in greater jeopardy let us stop wasting the hard earned money of Canadian taxpayers and bring our troops home.

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, I am taking part in this debate on maintaining peacekeepers in Bosnia and Croatia more out of a sense of duty than of pleasure.

• (2050)

More out of a sense of duty, because it is impossible to remain indifferent to the drama taking place in the former Yugoslavia. It is not for pleasure, because the government is putting us in a very awkward situation. It is claiming to consult us, but we know that the UN mandate ends in 24 hours.

Moreover, the government never really took steps to inform the House of the results of earlier peacekeeping missions. Finally, it probably made its decision to renew the mandate several weeks ago.

They better not try to say that the Minister of Foreign Affairs consulted us seriously on March 14, asking us our opinion on the fly. They also better not say that our criticism of the government is criticism of Canadian peacekeepers.

The Leader of the Opposition was very clear on this point. He paid hommage to Canadian peacekeepers for their courage, their devotion and their professionalism. I therefore ask the hon. Liberal member to distinguish between criticism of the government and criticism of the peacekeepers. In fact, there is no criticism of the peacekeepers.

We have just reviewed Canadian foreign policy. Throughout our meetings, the former Chair of the Standing Committee on Foreign Affairs, now a senator, made light of Canada's situation describing Canada as the UN's emergency service. We have just issued a statement of policy. In the fall, the government issued its defence policy. Is there anything really different in the process we are starting today? Not a thing. It is the same as before.

At the San Francisco conference, which led to the establishment of the UN on June 26, 1945, following the second world War, people wanted to ensure that history would not repeat itself. Unfortunately, we have to admit that history has repeated itself. The UN charter introduced a new idea of universal security, and it was a Canadian politician, Lester B. Pearson, who, in the end, created peace missions as we know them today.

The new face of war and the increasing number of areas of conflict around the world require action by the international community. Finding ways to regulate and ensure international peace and security is one of Canada's responsibilities as well. Canada, a country renowned the world over as a leader in peacekeeping missions, can hardly run for cover now.

This debate also allows us to reflect on a certain number of subjects more or less on the periphery of the issue at hand. I would like to begin by reflecting on the role that television plays on the international community's responsibility. As much as we denounce the gratuitous violence typical of today's television shows, we must recognize that the journalists covering international issues heighten awareness in the international community, and in Canada, of the situation reigning in countries in conflict.

On this issue, I think that MPs cannot simply follow public opinion. It would be too easy to conduct surveys and then to apply the decision corresponding exactly to what Canadians and Quebecers want to see. MPs have a role to play in shaping public opinion and they cannot hedge on this issue indefinitely.

The Bloc Quebecois is in favour of renewing the peacekeeping mandate in Bosnia and Croatia, but I am in full agreement with the reservations which my colleagues have already expressed. I think that we should react to this situation in the way that we would if we were to see a person in distress.

• (2055)

If I were at home in my apartment and heard gunshots in the next apartment, I could not just shrug it off. Why should we then close our eyes and refuse to act when it comes to the international scene?

The role of peacekeepers is extremely important. It is essential in Bosnia–Hercegovina. They bring food and medical supplies, among other things, to people who are undeniably the victims in the situation.

They also ensure that some lines of communication remain open, without which life would become unbearable. They also logistically support NGOs like the Red Cross and the High Commissioner's Office for Refugees, which play a crucial role which could not possibly be undertaken without the peacekeepers.

Finally, regarding the need for the mission, everybody recognizes that if we pulled out of Bosnia, we would leave behind a void which would be filled with massive fireworks, it would literally be hell on earth.

I said earlier that we had begun to review Canadian foreign policy. We must realize that borders are a thing of the past. There is no denying the interdependencies between peoples. When someone pollutes the environment elsewhere, we in Canada are affected. Poverty in developing countries is also our problem because we all are responsible for what happens in the world. We cannot remain passive when we see human rights being violated. Population migrations always end up affecting us.

Some 50 Bosnian refugees recently immigrated to my riding. We cannot close our eyes and say: "It is none of our business. If they want to fight, let them fight among themselves". No. We have a moral and ethical responsibility in these matters.

Humanitarian action is one of the responsibilities of the international community. I recently attended a forum in Sainte–Adèle, north of Montreal, in which experts tried to link state sovereignty with the responsibility to take action against gross violations of human rights. We are moving toward the right to interfere, and the international community will have to come to terms with this in the future.

Of course, we have a number of reservations about the presence of peacekeepers over there. My colleagues talked about the psychological trauma experienced by our soldiers after or before they return home. I suppose that the Canadian Forces could do a number of things, perhaps better choose the soldiers or prepare them better. However, I do not think we can base our refusal to get involved on this factor, as tragic as it may be.

We often hear Canadians say that we cannot afford to intervene. May I remind this House that Canada spends $10 billion on national defence. I think it is a false argument to say that we cannot afford it.

The Canadian Forces should look for a new orientation. In the report on the policy statement, we suggested that the government review the make–up of the Canadian Armed Forces. Since peacekeeping is really what we are best at and are involved in on a regular basis, the whole National Defence structure should focus on this new make–up.

Mr. Speaker, I am out of time. But I would just like to remind the House that, if people are able to fight and kill one another, it is because there are others out there who are manufacturing weapons. in that regard, I want to denounce the fact that four permanent members of the Security Council manufacture 80 per cent of all weapons produced in the world. We will never denounce enough this kind of hypocrisy.

I will conclude with a quote from the Leader of the Opposition who stated on January 25, 1994: "what matters for the moment is to bear in mind that we must continue, insofar as our capabilities allow it, to fulfil our fair part of the obligations that result from our allegiance to the values of democracy, peace and justice, values which, given their universality, deserve our efforts to further them abroad".

• (2100)

[*English*]

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, it is my privilege to join in the debate tonight on a subject of utmost concern and importance, especially to the people of Etobicoke—Lakeshore and indeed to all Canada.

In light of the UN Security Council consideration of renewed mandates for UN forces in the former Yugoslavia and of the coming rotation of Canadian forces serving with UNPROFOR in the region, it is important that we have the debate tonight.

We live in a global village and very often the events that occur in the international community have a direct or indirect effect on Canada. We have seen evidence of this in the economy, in our social policy and in issues of security. We have a responsibility to the global village, especially when human rights are being violated.

The importance of peacekeeping to Canadians is obvious from the three times since January 1994 that the government has called a special debate on Canada's role as a peacekeeper throughout the world. In the past year we have dealt specifically with our commitments to UN missions in Rwanda, in Haiti and in the former Yugoslavia.

In the debates that took place members consistently referred with pride to previous Canadian participation in UN peacekeeping missions in Korea, Egypt, Vietnam, the Middle East and Latin America, to name a few.

Numerous members of the Etobicoke—Lakeshore community have been involved in peacekeeping activities around the world since the inception of the UN peacekeeping force. Their contribution to the security of our country and to peace in the world is something that my constituents and I will always be grateful for.

Described as an imaginative worker for peace, Lester B. Pearson received the Nobel Peace Prize for his leadership in bringing about the creation of the UN peacekeeping force. Canada has a proud history of participation in peacekeeping operations both under UN and non–UN auspices. Few if any countries have a more impressive record of dedicated and professional contribution to this essential activity.

Nowhere have dedication and professionalism been more evident than with our Canadian peacekeepers currently providing relief to the victims of the war in the former Yugoslavia. Some 2,080 Canadian troops now monitor UN protected areas in Croatia, provide protection for relief convoys and refugees in Bosnia–Hercegovina, and monitor ceasefire agreements in both countries.

Canada has supported the participation of its forces in this UN mission to promote peaceful settlement and to provide relief to its many victims. As one of the largest contingents to the UN protection force Canadians have selflessly put themselves in danger by undertaking difficult assignments. Service women and men have participated in the European community monitor mission and non–UN mission overseeing the ceasefire throughout the former Yugoslavia and were instrumental in opening Sarajevo airport for the delivery of humanitarian relief supplies.

Canada has also provided a ship to sanction enforcement operations in the Adriatic Sea and has deployed a naval support ship and the Aurora maritime patrol aircraft to this effort. In

addition, the NATO AWACS aircraft enforcing the no fly zone over Bosnia includes Canadians.

One must always recognize the daily acts of courage of individual peacekeepers. The threat of danger the Canadian personnel might encounter during the course of a day is what many of us here at home can only imagine. Their presence in this war torn region presents a risk to their lives and is a constant worry to their families at home.

• (2105)

One must always ask whether we can continue to make a difference. We know our presence in the Balkans has made a difference to the children, the elderly, the women and all other innocent victims of this cruel war.

Is the UN presence continuing to make a difference to the peace process? If the answer is yes, it is our responsibility to remain in the area. If little progress is being made toward peace, the government must seriously consider our current commitment.

The service of Canadian peacekeepers in Bosnia and Croatia has not been without its ordeals. In the last six months the danger to our Canadian peacekeepers has increased daily. Many Canadians have been shot at by snipers and non–UN soldiers. Several of them have been seriously injured.

In November, 55 Canadian soldiers were taken hostage and held against their will for over two weeks behind the confrontation lines of this war torn country. The time has now come to reconsider our commitment to the mission in Bosnia and Croatia. That is the purpose of the debate tonight.

In light of the increase in risk to the lives of Canadians we must come to a decision on whether to send neutrals to the UN peacekeeping mission in the former Yugoslavia and we must consider our role.

We have not stopped the fighting but we have prevented the war from spreading to other regions. We have made accomplishments in the region and have made a difference to the lives of many families living in the midst of a horrifying war.

Canada's involvement is said to create the breathing space within which diplomats and political leaders can negotiate a peaceful solution to a bloody war. New developments have taken place since we last debated the subject in the House.

As the defence minister recently mentioned, Croatian President Tudjman stated that he wanted all UNPROFOR to leave Croatia. An agreement was worked out, however, and the details of these terms and conditions are presently being negotiated.

The dynamics are now changing and the UN forces are undergoing a restructuring process that will affect all participants in the UN mission. Under the new agreement Canada's role should be to continue to help implement a ceasefire agreement worked out with the maintenance of borders and the maintenance of the all important humanitarian measures.

At the moment we have about 2,100 soldiers preparing to replace the personnel who have been in Bosnia and Croatia since their tour of duty began six months ago. We know they will continue the excellent work being accomplished in the region but it is dangerous work.

We have also had excellent leadership on the issue from the Minister of National Defence and the Minister of Foreign Affairs. I commend their efforts. A good number of my constituents' comments on Canada's peacekeeping strength and their determination to ensure the promotion of international human rights and our humanitarian contribution in the Balkan region are on the record of the ministers.

In closing, Canadians continue to see peacekeepers as an important contribution to the maintenance of international order and stability. The people of Etobicoke—Lakeshore will after careful consideration continue to support the involvement of the Canadian forces in this peacekeeping effort. After all, we are helping to ease the suffering of millions of innocent people.

I am confident we will continue to fulfil our international obligations through negotiations and peacekeeping to bring about peace in the Balkan region.

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I am very pleased to rise on behalf of my constituents in Okanagan—Similkameen—Merritt to participate in the debate this evening.

We on this side of the House realize that the final decision is the responsibility of the government. We appreciate that the government gave us the opportunity to be heard tonight on this very important issue.

The government said it would like to hear what we had to say in order to help it make the decision whether or not we should continue to maintain our present commitment in the former Yugoslavia.

• (2110)

Interestingly this is a take note debate regarding the rotation of Canadian forces. The hon. member for Red Deer earlier used the words of an Eagles song, one of my favourite musical groups. I am not sure which group sang this song: "Leaving on a Jet Plane". In actual fact the troops' bags are packed. They are set to go. On Monday they leave for Bosnia and Croatia in this troop rotation.

According to my calendar today's date is March 29. The commitment to the former Yugoslavia ends on April 1. Yet the government wants to consult Canadians by holding an emergency debate tonight at the 11th hour. We all know nothing can be done to stop that rotation from taking place.

Members of the Reform Party have made very clear their position on the issue. We should announce and make very clear that Canada intends to withdraw from the former Yugoslavia. We should give the UN a three–month notice of that decision. The reason we are taking this position is that we know it would be very difficult for us to pull out immediately and leave a vacuum until another nation is able to step in and take over where we left off.

I feel, therefore, that we should be debating whether Canada should commit continued peacekeepers to the former Yugoslavia in the long run. If we do not debate the issue now, when will the issue be debated?

Recognizing the fact that the debate should have occurred weeks ago, I state unequivocally that we should pull out and give the UN three months notice. Many people on the other side of the House may be asking why we should pull out of the former Yugoslavia. There are numbers of reasons why we should leave.

Despite our past history as peacekeepers to all the world's troubled regions, I feel strongly that in this new world order of regional, ethnic and tribal conflict running rampant and with Canada's own defence resources shrinking at an alarming rate the government must develop a commitment criterion to give us a guide for future deployments of our peacekeeping troops.

On December 1, 1994 the Reform caucus issued a statement which outlined the four conditions that should be met to keep Canadian peacekeepers in the former Yugoslavia. We developed these criteria because of the numerous violations and because Canadian troops were being held hostage.

At that time we said, first, that all UN detainees should be released immediately; second, that the warring factions should agree to cease all aggressive actions toward the UNPROFOR troops; third, that the Sarajevo airport should be immediately reopened and all humanitarian aid should be allowed to proceed without interference by any of the warring factions; and, fourth, that a ceasefire should be put in place and honoured by all sides.

Let us look at each one of the points individually. Even though all UN detainees have been released there is still no guarantee that the warring factions would not undertake such activity again. As a matter of fact with the situation in Bosnia we are in close contact with Serbian troops on a daily basis. It is a very volatile situation. It is something that could possibly happen.

There have been less aggressive acts toward UNPROFOR over the past couple of months but incidents do occur. There is no guarantee in place by the warring factions to prevent any future aggressive acts. All humanitarian aid is not getting through. Anyone who says it is, is simply not stating the truth.

Two weeks ago the Montreal *Gazette* reported that there was a desperate food shortage in the Bihac pocket because of the heavy fighting between government troops and the alliance of Bosnia Serbs, Croatian Serbs and the renegade Bosnian Muslims. I would like to quote from the Associated Press report:

> The Serbs generally refuse to give the United Nations permission to move convoys into the region through Serb–held territory. The United Nations does not have a mandate to use force to get its humanitarian aid through.
>
> The UN World Food Program, based in Rome, said only 5,000 people in the enclave get regular meals from public kitchens. Patients in hospitals eat only one meal a day.
>
> Only an estimated 20 per cent of the people trapped in the region have received any donated food during the past six months, the agency said.

• (2115)

The reason for the failure of the first three criteria is due to the failure of the fourth criterion which the Reform Party laid down. There is no ceasefire in place in Bosnia that is being honoured by all sides. Do the warring factions even actually want peace? Are they willing to make a lasting truce upon which a negotiated peaceful settlement will be found?

In the case of Bosnia it appears the answer is a resounding no. The combatants do not want peace. Short–lived truces are only holding long enough for the combatants to reform and refit. As we can see, the latest truce between the Bosnian government and the rebel Serbs is crumbling. It is crumbling as we debate this issue tonight. As UN spokesman Alexander Ivanko said yesterday: "It is our understanding both parties continue to opt for a military option".

We must consider the facts. Without a meaningful negotiation between the combatants, peace is only wishful thinking. The role of a peacekeeper is to keep the combatants apart while they negotiate peace. There is no peace and there is no negotiation. Canadian troops are more like pawns in a game of chess between the differing parties. The threat of interference by both Serbs and Bosnians has not been reduced.

It is dangerous to train and equip our troops for traditional peacekeeping missions when we are putting them into a situation which cannot succeed, where there is no peace or a will for peace between the parties.

Many in the House will defend our humanitarian role on grounds that the civilians would be worse off without the peacekeepers. I can sympathize with that because I travelled there. We should be very proud of our troops. They have done a good job.

In the short term it may be true that the presence of UN peacekeepers in Bosnia may have prevented widespread starvation. However, at the same time the UN presence may have actually perpetuated division, squalor and low–level fighting for longer than would otherwise have been the case. We must

ask: Is the present morass a success or has the United Nations become part of the problem despite its best intentions?

The fact remains that the UN's involvement in Bosnia is in limbo, with the very strong possibility that Canadians will be forced into a situation of peacemaking. If the international community is serious about making peace, then maybe the military role ought to be handed over to NATO with a mandate to end the fighting through military means. Yes, I know that solution is also problematic. It is again possible that nothing will be solved. The warring parties will not have settled their differences and fighting would resume once NATO withdrew.

This House must recognize that we should only be sending troops on peacekeeping missions where the warring parties have fought their battles and are ready to negotiate and to sit down at the negotiating table to come to terms with a lasting peace.

What we are doing is committing our soldiers and our nation to a moral dilemma. We must stay forever or else by leaving, become responsible for the resumption of hostilities. Canada cannot afford and has no moral authority to become not only the world's policeman but a permanent benevolent occupier in troubled areas.

• (2120)

Is this commitment going to turn into one of 29 years or more in the former Yugoslavia as we ended up committing ourselves to in Cyprus? Remember this is just another chapter in a centuries old conflict that appears to be without an end.

As we debate this issue in the House tonight we can clearly see that none of the four criteria outlined by the Reform caucus has been met. Support for our continued presence in Bosnia is waning at home as well.

I heard one of the members on the other side of the House ask: What are your constituents saying? In my riding we conducted a telephone poll and 68 per cent of the constituents told me they would like us to leave as quickly as possible.

For just 30 seconds, Mr. Speaker, I would quickly like to turn to Croatia where President Tudjman would like to see UN peacekeepers, at least he did say he would like them out of—

The Deputy Speaker: I am sorry, the member's time is up unless there is unanimous consent. There are at least six other members who were hoping to speak in this debate, as I understand it. Is there unanimous consent to give the member additional time beyond his 10 minutes?

Some hon. members: Agreed.

The Deputy Speaker: Very well, the member has unanimous consent.

Mr. Hart: Mr. Speaker, I thank the members of the House.

President Tudjman in Croatia has had a change of heart and said he would like to keep some peacekeepers in Croatia. The problem is that the only peacekeepers he would like to remain would be unarmed monitors. That is not satisfactory in this volatile situation. We should get our troops out before any further fighting begins. We should give the United Nations three months warning that we are planning to do that so it can fill the vacuum when we leave.

Finally, all Canadians can be proud of the Canadian troops who have served their country valiantly and well in the former Yugoslavia.

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Mr. Speaker, this has been a very good debate tonight. I congratulate all those who have spoken for their candour and openness and for putting their points forward.

We have to remind ourselves that Canada was one of the key founders of the United Nations, one of the key partners in that formation.

Today's problems are many and great, as has been pointed out. However they pale significantly when one recalls the world wars and catastrophes that have occurred over the history of mankind. The United Nations was founded to try to prevent that from happening again. It requires every responsible nation that belongs to the UN to pull its weight and to work toward the aim of peace, regardless of how frustrating and how crooked that road may seem.

Many Canadian peacekeepers have served in the former Yugoslavia, particularly in Bosnia–Hercegovina and Croatia. Today some 2,080 are over there performing their role on behalf of Canada and the international community.

It behoves each and every one of us in the House tonight to thank the people who have served there in the past and in other peacekeeping duties around the world. They have served Canada well and will continue to do so. It also behoves us tonight to thank the Canadian people at large for the support they have given our Canadian soldiers as they go about doing their great mission on behalf of international peace.

Recently we heard that the Bosnian Serbs have called for a general mobilization. That is bad news. It almost seems as if when summertime comes the weather is better for fighting. It is a sad commentary on mankind.

• (2125)

Hatred is older than the hills, but it is there and it must be dealt with. It must be dealt with by responsible nations, those that maintain their calmness in duty and have very specific responsible aims in place as they look to the future.

This has not only been a great challenge for the United Nations. It has created frustration for many as well. This is the largest UN operation to date. Therefore, it undoubtedly demands the greatest cohesion and togetherness we are going to see in a UN operation probably since the Korean war.

We have had many fires to put out along the road of international history over the last half century since the founding of the United Nations, but this is not a time to let go of the traces. It is not a time to stop pulling for peace in the world for which we all strive.

There is a Chinese proverb which says that fury is nothing but the energy of weakness. Nothing exemplifies this statement any better than the ongoing circumstances in the former Yugoslavia. There is another saying that ignorance never settles a question. It simply keeps the argument all stirred up.

I love reading history. J. M. S. Careless wrote the book *Canada—A Story of Challenge*. The 19th chapter deals with a maturing nation. We must remember tonight that many people came from countries across Europe in the early days to settle in Canada. They came here to find peace, a place where they could make a life for their families. As we stand here tonight in the House we certainly can understand very well how many people in disturbed parts of the world must be looking forward to the days when they can see some peace.

Canada has worked on behalf of refugees, the children's fund, humanitarian supplies. We have put troops into very difficult situations. We have had an international airlift from Italy in Sarajevo since July 1992. The Canadian forces Hercules 130 transport planes have been busy with 1,600 flights, 11,300 passengers and 26,600 tonnes of food and medical supplies into Sarajevo. That is a small part of what our Canadian forces have done.

Tonight it behoves all of us to take into consideration the work that has been done to date. We must stand firm and work with our partners in the United Nations toward the goal of the UN for which it was founded half a century ago: to try to bring peace to mankind and some sanity to the world.

The Deputy Speaker: The time has expired for the three hours set aside for the debate.

Mr. de Jong: Mr. Speaker, I rise on a point of order. I seek unanimous consent of the House to extend the debate for myself and the member for Esquimalt—Juan de Fuca.

• (2130)

Mr. Flis: Mr. Speaker, I rise on a point of order. We also have two members who sat here all evening, participating and listening very carefully. I am wondering whether you could seek agreement to extend the debate to allow the remaining speakers time but limit the debate to maybe five minutes each, which would not go beyond 9.50 p.m. or 10 p.m.

The Deputy Speaker: Certain members have indicated they wish to speak. Is there unanimous consent?

Some hon. members: Agreed.

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, it is not with pleasure that I join the debate. I am certain all members present do not find much joy in debating this subject. We have debated the topic several times. Parliament has sat late to debate our role in the former Yugoslavia.

This time as I listened to members from all political parties I sensed a sense of weariness with what our role has been. There is more weariness now than I heard in previous debates.

The Reform Party is calling for our troops to be brought home. The minister of defence made it abundantly clear in his remarks that even if he recommits our troops it would only be for a limited period of time.

The Leader of the Opposition talked in terms of renewing our mandate because there is not much choice. The views expressed by the members of the House really reflect the mood in the country from coast to coast.

The lack of progress in ending hostilities, the ongoing flagrant denial of basic human rights while our troops under the UN command stand helplessly by, the incidents in which our troops were detained and humiliated as well as our budgetary problems have all added to the sense of weariness.

What are we doing there is the basic fundamental question that gets asked. It is important for us and for Canadians to realize the tremendous job Canadian troops have done. There would have been a lot more death, destruction, carnage, rape and denial of basic civilized human rights had there not been the United Nations and the Canadian troops present.

It is hard to quantify that but let there be no doubt Canadian troops have saved innocent lives. It is important that all Canadians tip their hats to the men and women both in the RCMP and in our military who have done a very professional job. Canada can be proud of them.

The frustration we feel is also the frustration the Croatian people feel. I and two other members of the House visited Croatia in June 1994. We talked to its foreign minister as well as members of its Parliament. Overwhelmingly they talked in terms of ending the Vance peace agreement of 1994, the mandate by which UNPROFOR forces are in Croatia.

The Croatians have the same fear the minister of defence expressed, that this becomes a permanent situation. Under the original agreement the local Serb groups were to be disarmed. There was to be UN monitoring and taking over heavy armaments. Non–Serbs were to be allowed back home. None of this has happened. The concern is this present occupation of almost

one–third of Croatia by Serb forces will become a permanent situation.

When one looks at a map for the areas controlled by the Serbs, one sees how it prevents north–south and east–west communications and transportation in Croatia. Croatia cannot economically develop as long as this situation continues. There is a tremendous sense of frustration.

When President Tudjman called for an end to the mandate, he was not speaking for himself. It was a unanimous decision passed by the Parliament of Croatia. Because of international pressure the Croatian government has agreed to back down.

• (2135)

An agreement was reached with Mr. Tudjman and the Vice–President of the United States, Al Gore, in Copenhagen. That agreement has not been implemented in a mandate. There is no agreement as things stand now for a new mandate. That is why the government a bit amiss when it asks the House for advice to renew that mandate. Right now no mandate exists.

The agreement reached in Copenhagen has not been finalized in an agreement that would allow a new mandate to be implemented in Croatia. In part what we are discussing here could very well be beside the point. The Croatian government has given until the end of May to reach this agreement. I understand the condition will continue as it is now until the end of May.

No agreement exists right now that would allow Canadian troops to stay in Croatia. Hopefully something can be achieved by the end of May. If it can be achieved, I urge the Canadian government to allow our Canadian troops to remain there for humanitarian purposes in the hope and prayer we all share, that peace can be achieved in that part of the world. Our prayers are with them.

The Deputy Speaker: I trust colleagues will agree to let the pages leave.

Some hon. members: Agreed.

Mr. George Proud (Hillsborough, Lib.): Mr. Speaker, I can safely say every member of the House respects and honours our peacekeepers serving around the world. We all know the story of Lester B. Pearson inventing the concept we now call peacekeeping. Not all of us know Canada has participated in every United Nations military effort since Korea.

All this brings us to the debate at hand about the future of Canadian peacekeepers in the former Yugoslavia. Since the beginning of the conflict Canada has been an active participant helping end conflicts there. Through our partnerships in NATO, the organization for security and co–operation in Europe, and the international contact group in Yugoslavia we have sought ways to bring safety to that troubled land.

Canada has contributed almost $60 million in humanitarian aid through various international and non–governmental organizations. Our presence in Bosnia and Croatia has helped save the lives of countless thousands of people. Our aid programs have helped to alleviate the sufferings of those trapped in these conflicts.

Many Canadians are questioning our role in the former Yugoslavia, whether we are even needed there. I believe we are needed there. We must stay there.

As has been said, 2,100 Canadians are serving as peacekeepers and monitors today in the former Yugoslavia. As part of our commitment to NATO, Canada is obligated to help protect the western European security. In keeping that commitment we are at the forefront of NATO expansion and we are helping prevent the Yugoslavian crisis from spilling over into other parts of Europe.

There is always a potential for peace. There is still a potential for peace in the former Yugoslavia. However, for that peace to exist there must be an end to the continual fighting among the various factions. Our humanitarian efforts are helping people realize they can get along in the spirit of co–operation and mutual understanding.

Our peacekeepers are there to prevent acts that might be destructive to any sense of understanding. After all, it was an assassin's bullets on the streets of Sarajevo that sparked the first world war.

• (2140)

If our peacekeepers can prevent such a pivotal action from taking place, they must remain there to make sure this peace comes eventually. Our presence is necessary.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, I thank the House for allowing us to continue the debate this evening.

I would like to express my profound gratitude to the Canadian men and women who serve in our armed forces. They have received a lot of criticism of late, much of it unjustified. They have for many decades conducted themselves professionally, effectively and with bravery. Lest we forget, they have done us all proud. Some from the PPCLI come from my riding of Esquimalt—Juan de Fuca, and I am deeply gratified to those people specifically.

The views I am going to express are those of my own. They are not held by my caucus. Although there is much on which we agree, on the bottom line of whether we should pull out of Bosnia and Hercegovina and Croatia we disagree. I do not think we should and I will give the following explanation.

Let us first understand what our troops are doing there. For over three years under UNPROFOR they have enabled the

UNHCR to provide aid for those people who have nothing. Currently over six million people receive aid that would not have got to them had it not been for the troops of UNPROFOR and for those people who work with the UNHCR.

They diffuse situations on a daily basis which could blow up and cause death. They liaise between belligerents. They involve themselves in prisoner exchanges and their mere presence has prevented hundreds of thousands of people from being killed. Anybody who would like to disagree, who would allow this to occur, I would ask them to put themselves in the shoes of someone living in Srebrenica, Gorazde or Bihac and ask what they would like the international community to do if they were there.

If we were to move out, our other allies would leave and we can be certain there would be carnage, torture and mass killings on a scale which we have not yet seen. It would be an orgy of blood letting. We would see this courtesy of CNN.

Furthermore, we would see an expanded conflict. Not for a minute should we delude ourselves that the Croats will not to start to fight with the Krajina–Serbs. Let us not delude ourselves that the Bosnian Muslims and the Bosnian Serbs will not attack each other. Let us not delude ourselves that the Federal Republic of Yugoslavia would not get involved with the Krajina–Serbs or that Bosnia would not start to attack other people.

Then what will happen, because of our responsibilities under NATO, is we would be dragged into that. We would be dragged into an enlarged conflict which would cost us in terms of men and women and also in terms of dollars. That is exactly what will happen if we pull out and allow this to occur. There is no contingency plan for a pull out right now.

Therefore I propose, with my colleagues, that we put pressure on the belligerents to start keeping the Sarajevo airport open. Let us ensure our peacekeepers will be there to conduct and provide aid through the UNHCR. Let us also work with the United States to put pressure on the EU and the OSCE to find a regional solution to this problem because that is where it lies.

The former Yugoslavia has been called the shame of the west. We have not done what was required through preventive diplomacy to prevent this tragedy. It should be a lesson for those countries that will blow up in the future.

I do not think there will be a diplomatic solution to this problem. That is a tragedy. What will happen is the belligerents, the Serbs, the Croats and the Muslims, will fight it out and then diplomacy will occur. There is no way they want to solve this other than at the end of an assault rifle.

My primary concern is for the civilians who bear the brunt of these civil conflicts time and time again. We must provide a safe zone for those individuals and allow an area that will be protected with force by international troops so that civilians who choose to go there will be protected and have their basic needs met. Tragically what is going to happen is that the belligerents are going to fight. Rather than us actually being those troops, we should work now to remove our troops and have EU troops take our place.

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Mr. Speaker, I am pleased to rise tonight to participate in this important debate.

I support, as does the government, a continued role for Canada's peacekeepers in the former Yugoslavia. Canada has an important role to play in finding solutions and in helping bring peace to the region.

Canada has a proud and distinctive record in preserving world peace and fostering global security. Since the creation of the first UN emergency force in 1956 there have been 26 other UN peacekeeping missions. In every case Canada participated in some way. This record of excellence has been further enhanced by our presence in the former Yugoslavia. From the beginning Canada has participated fully in efforts to promote a peaceful settlement to the conflict and provide relief to its victims.

In September 1991 we led the call for the UN security council to deal with the issue. However there are those who would argue that Canada should pull out. We do not think the problem is yet to be resolved. Despite our presence the conflict rages on with no end in sight.

It is true that we have not been able to secure peace in the region. For the peacekeepers involved, for all members of Parliament and for all Canadians, this is a grave issue of concern. While it is frustrating to see the conflict continue, we must remember the many positive contributions that Canada and other countries have made to the region. These contributions, as has been said here numerous times, are the delivery of food, medical supplies, clothing, shelter and so on.

Make no mistake about it. For those living in some of the war torn areas of the region, Canada's continued presence makes a difference. We have protected the lives of innocent victims of the conflict. We have a responsibility and a moral obligation to continue that help.

Our efforts also continue on the diplomatic front. We continue to consult regularly with all countries contributing troops to the UN protection force. By extending our commitment to the UN protection force we are by no means committing ourselves to the status quo. The valuable work our troops continue to do in the region cannot be seen in isolation from our efforts to find innovative solutions for peace.

Our experience over the past few years indicates that we need to explore more innovative options. Recent peacekeeping missions have shown that the traditional approach no longer applies. Clearly our long term commitment to international peace and security must be closely tied with efforts to make peacekeeping and, more important, peace building effective security mechanisms.

Given our longstanding commitment in international peacekeeping, Canada has a wealth of experience to contribute to future discussions. By renewing our commitment we are sending a strong signal that Canada's first priority is to help find a peaceful settlement to the dispute.

In closing, I would like to read an excerpt from a letter I received from one of my constituents who was serving with the UN protection force. He writes: "Hello from southern Croatia. I hope people back home realize how dedicated their soldiers are. From what I have seen so far, everybody down here realizes how professional we Canadians are".

I would like to acknowledge the excellent work of Canada's peacekeepers stationed in the former Yugoslavia.

[*Translation*]

The Deputy Speaker: I thank all House of Commons employees who worked until close to 10 p.m.

The House now stands adjourned until 10 a.m. tomorrow, pursuant to Standing Order 24(1).

(The House adjourned at 9.49 p.m.)

HOUSE OF COMMONS

Thursday, March 30, 1995

The House met at 10 a.m.

Prayers

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 19 petitions.

* * *

[*English*]

CANADA ELECTIONS ACT

Mr. Ian McClelland (Edmonton Southwest, Ref.) moved for leave to introduce Bill C–319, an act to amend the Canada Elections Act (reimbursement of election expenses).

He said: Madam Speaker, the intent of this bill is to amend the Canada Elections Act so that registered political parties would not receive reimbursement unless they met two thresholds. At present, the threshold is to have spent 10 per cent of the allowable election expenses. This bill would add another hurdle, that the party would have had to garner 2 per cent of the total votes cast as well as having spent 10 per cent.

(Motions deemed adopted, bill read the first time and printed.)

* * *

CRIMINAL CODE

On the order: Private Members' Business

Second reading and reference to the Standing Committee on Justice and Legal Affairs of Bill C–303, an act to amend the Criminal Code (dangerous intoxication).

Mr. Ian McClelland (Edmonton Southwest, Ref.): Madam Speaker, I would ask for unanimous consent of the House to withdraw Bill C–303 which was the bill similar to the government's Bill C–72 on self–induced intoxication. Our party is firmly in support of the government's Bill C–72 and we do not need to debate this bill.

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

(Order discharged and bill withdrawn.)

* * *

PETITIONS

DANGEROUS OFFENDERS

Mrs. Jan Brown (Calgary Southeast, Ref.): Madam Speaker, I rise again to present another petition in this course of action undertaken on behalf of constituents who wish to halt the early release from prison of Robert Paul Thompson.

The petitioners I represent are concerned about making our streets safer for our citizens. They are opposed to the current practice of early release of violent offenders prior to serving the full extent of their sentences.

The petitioners pray that our streets will be made safer for law–abiding citizens and the families of the victims of convicted murderers.

TAXATION

Mr. Garry Breitkreuz (Yorkton—Melville, Ref.): Madam Speaker, it gives me great pleasure this morning to present a petition on behalf of the constituents in my riding of Yorkton—Melville.

In light of the fact that the Saskatchewan government is on the verge of balancing its budget and allowing Saskatchewan taxpayers to see the light at the end of the tunnel, they request that Parliament reduce government spending instead of increasing taxes.

I have 18 petitions like this one. I will not go through all of them as they are all very similar. I chose one which was representative of the entire group.

[*Translation*]

VOICE MAIL

Mr. Bernard St–Laurent (Manicouagan, BQ): Madam Speaker, this morning, I have the pleasure of tabling in this House a petition signed by some 160 seniors criticizing the government for installing a voice mail system.

The petitioners say, among other things, that they are entitled to appropriate service—a fair description, in my opinion—and call on the government to abandon its plan to install voice mail, particularly for seniors.

[*English*]

TAXATION

Mr. David Chatters (Athabasca, Ref.): Madam Speaker, in accordance with Standing Order 36, I would like to present a petition containing approximately 200 signatures from the Slave Lake area of my constituency.

The petitioners ask that Parliament move toward a balanced budget through reduced government spending, not tax increases.

[*Translation*]

HUMAN RIGHTS

Mr. Dan McTeague (Ontario, Lib.): Madam Speaker, I have the pleasure of tabling three petitions.

[*English*]

The first petition is in conformity with Standing Order 36. The petitioners request that Parliament oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms which provide for the inclusion of the phrase "sexual orientation". It is signed by 100 petitioners.

INSURANCE COMPANIES

Mr. Dan McTeague (Ontario, Lib.): Madam Speaker, the second petition has 59 signatures and deals with the enactment of legislation to have mandatory protection for insurance companies through Comcorp or its successors. The petitioners call upon Parliament to provide a two month period similar to the Canada Deposit Insurance Corporation program.

FIREARMS

Mr. Dan McTeague (Ontario, Lib.): Madam Speaker, the final position is signed by 26 petitioners from my riding. They call upon the government to enact legislation to prohibit the importation of new handguns as well as a minimum 10–year sentence for any conviction resulting from the use of a firearm in the commission of an offence.

GUARDIANSHIP

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Madam Speaker, in this petition the petitioners, Canadians of the Islamic faith, want the government to consider guardianship as an option to adoption. Guardianship would include the same legal and moral obligations as does adoption now.

These petitioners point out that their request is in accord with their religious beliefs. They would like to see discussions begin now so that changes could be made in the very near future, in line with the points I have raised.

HUMAN RIGHTS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Madam Speaker, I have two petitions to present this morning.

The first petition is signed by a number of residents of Canwood and Shellbrook, Saskatchewan in the north central part of the province.

The petitioners note that the majority of Canadians believe that the privileges which society accords to heterosexual couples should not be extended to same sex relationships.

The petitioners request that Parliament not amend the Canadian Human Rights Act or the charter of rights and freedoms in any way which would tend to indicate societal approval of same sex relationships or of homosexuality, including amending the Canadian Human Rights Act to include in the prohibited grounds of discrimination the undefined phrase "sexual orientation".

• (1015)

CANADIAN WHEAT BOARD

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): The second petition, Madam Speaker, is signed by a number of residents of The Battlefords—Meadow Lake constituency, from the communities of Speers, Richard, Maymont, North Battleford and Mayfair.

The petitioners draw to the attention of the House of Commons that a very vocal minority of citizens are requesting Parliament to institute a dual marketing system for wheat and barley. The petitioners request that Parliament continue to give the Canadian Wheat Board monopoly powers in the marketing of wheat and barley. The petitioners also request that Parliament expand further the Canadian Wheat Board monopoly powers to include all grain and oilseeds.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, the following questions will be answered today: Nos. 157 and 158.

[*Text*]

Question No. 157—**Mr. Hill (Macleod):**

What are the names of the private health care facilities, by province/territory, that charge patients user fees, as defined by the Minister of Health?

Hon. Diane Marleau (Minister of Health, Lib.): On January 6, 1995 the Minister of Health wrote to all provinces and territories informing them that facility fees being charged to patients at private clinics are user charges contrary to the Canada Health Act. Provinces and territories were given until October 15, 1995 to put into place the necessary legislative or regulatory framework to ensure that medically necessary services are provided on uniform terms and conditions wherever they are offered. Some provinces have already announced plans to develop such frameworks. As provinces and territories have until October 15 to complete these efforts, it would be premature

at this time to name facilities that after October 15 may not be operating in such a way as to cause a deduction under the Act. Federal/provincial consultations will take place in connection with this issue.

Question No. 158—**Mr. Hill (Macleod):**

What is the total annual sum of money, by province/territory, that private health care facilities bill patients as user fees, as defined by the Minister of Health?

Hon. Diane Marleau (Minister of Health, Lib.): On January 6, 1995 the Minister of Health wrote to all provinces and territories informing them that facility fees being charged to patients at private clinics are user charges contrary to the Canada Health Act. The letter further stated that where a provincial plan pays the physician fee for a medically necessary service delivered at a clinic, it must also pay for the related hospital services provided or face deductions for user charges. Provinces and territories were given until October 15, 1995 to put into place the necessary legislative or regulatory framework before the penalty provisions of the Act are implemented. Therefore the total sum billed to patients that might be deemed user fees after October 15 depends on how each province and territory responds to the deadline and cannot be determined until the deadline has passed. Federal health officials will consult with their provincial and territorial counterparts in connection with this issue.

[*English*]

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

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*Translation*]

BUDGET IMPLEMENTATION ACT, 1995

Hon. Sergio Marchi (for Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec) moved that Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, be read a second time and referred to a committee.

Mr. David Walker (Parliamentary Secretary to Minister of Finance, Lib.): Madam Speaker, last month , this government introduced a budget that has been described as historic. The description is apt, for it was a budget of fundamental reform and national renewal. Today, we are considering legislation that will help turn those goals of reform and renewal into reality for the benefit of all Canadians.

The budget redesigns the very role and structure of government itself—because getting government right is essential to getting the economy right. The budget achieves dramatic savings to secure our deficit reduction targets—real, bottom–line savings based on prudent economic assumptions.

And this fiscal reform will continue to pay off, because the structural changes introduced by the budget will deliver savings, not just over the next two years, but every year thereafter. It is a tough budget, but it is also a budget of commitments kept and meaningful results.

Just as important, it is a budget of nation building—because it is firmly rooted in the principles of economic leadership; compassion; and increased fairness. Before describing the specific measures in the legislation, I would like to say a few words about the importance of passing it on a timely basis.

Canada's economic future remains at risk because of a $550 billion debt. A huge portion of government revenues are consumed by the cost of servicing this debt. That's money that could otherwise be spent to provide Canadians with services and programs, or to reduce the amount of taxes we pay.

The debt also makes us unacceptably vulnerable to financial markets and the harsh impact of interest rates. The unexpected increase in these rates since last year's budget has put tremendous pressure on our deficit targets. Meeting our targets is essential to strengthen confidence and bring interest rates down. This, in turn, is essential for greater growth and more jobs for Canadians.

• (1020)

[*English*]

The budget takes the actions necessary to meet these objectives. To hit our targets, we are implementing cumulative savings over the next two years of $15.6 billion. Over $13 billion of the savings will spending cuts. There will be no increase in personal income tax rates.

Going beyond, to 1997–98, our reforms will deliver a further $13.3 billion in savings for a three–year total of $29 billion. This is the largest set of actions in any budget since demobilization after the second world war.

We are also taking firm steps to increase tax fairness and close loopholes. The budget delivers almost $7 in spending cuts for every $1 in new tax revenue. The actions set out in the budget involve changing the size and shape of government by hard choices on priorities. By 1996–97 program spending will fall from $120 billion last year to just under $108 billion.

By 1996–97 our financial requirements, the amount of new money we will have to borrow in the financial markets, will be down to $13.7 billion or 1.7 per cent of GDP. That is better than every other G–7 country. Most important of all, by 1996–97 the debt no longer will be going faster than the economy. That is the key to fiscal stability, to putting our debt ratio on a permanent downward track.

Canadians realize the importance of achieving fiscal targets. They know this is the budget our economy needs. They affirmed this in the consultations leading up to the budget and they reaffirmed it in the response to the budget itself.

Financial markets have also recognized that the budget will promote an improvement in public finances. However, to secure the savings that will lead to this improvement, we must pass the legislation as expediently as possible. Anything less would compromise our commitments to a secure and prosperous future for ourselves and for our children.

There is no need for further budget background. It has been extensively discussed in the House. Let me turn therefore to the specific elements of the bill before the House.

Provincial transfers. One of the most important elements of the bill is the reform of transfers to the provinces. The federal government wants to create a transfer system that functions better and is fiscally sustainable. The centrepiece of this reform is the replacement, beginning in 1996–97, of established program financing for health and post–secondary education and the Canada assistance plan, with a single consolidated block transfer, the Canada health and social transfer.

The Canada health and social transfer represents a new approach to federal–provincial fiscal relations. This new approach is marked by a greater flexibility for provincial governments, and more sustainable financing arrangements for the federal government. It continues the evolution toward more mature fiscal relations.

Although provinces will have greater flexibility in addressing their priorities, the budget made it clear that the principles of the Canada Health Act will be enforced. There will be no change in the principle that provinces must provide social assistance without minimum residency requirements.

We believe the new system will be more effective in meeting contemporary needs. Our fiscal situation demands that it also be less costly than the current system. That is why, when the CHST is fully implemented in 1997–98 the total of all major transfers to provinces will be down by about $4.5 billion from what it would have been if it had been transferred under the existing system. However, to put this into perspective, the reduction will be equal to about 3 per cent of the aggregate provincial revenues.

We believe our approach to provincial transfers passes three important tests. First, the federal government has hit itself even harder. Second, we have given the provinces ample notice of our intentions. Third, the reduction in transfers is equitable across all provinces.

• (1025)

In addition to the introduction of the Canada health and social transfer, the bill also introduces other measures that will help reduce the cost of payments to the provinces. For example, the government is proposing to reintroduce to the fiscal stabilization program a provision which will trigger payment under the program only when economic conditions cause provincial revenues to decline by more than 5 per cent. The fiscal stabilization program compensates provinces if their revenues decline from one year to the next due to economic circumstances.

When the program was introduced in 1967, it provided compensation only in situations where the economic conditions caused revenues to decline by more than 5 per cent, that is, in the event of a severe economic downturn. The program was amended in 1972 to provide compensation if province's revenue fell at all.

Despite that change only two payments were made under the program between 1967 and 1990. However, the combination of the last recession and low inflation has triggered recent stabilization payments to virtually all provinces.

Now that inflation is low and stable, even a minor economic downturn can cause a decline in a province's revenue and thus result in a stabilization payment. This is not consistent with the intent of the program and is not consistent with current fiscal realities. Therefore, the government is reintroducing the 5 per cent eligibility threshold to the program. This measure will take effect for stabilization claims in 1995–96 and subsequent years.

The federal government will continue to play a major role in stabilizing revenues of provincial governments. However, it will do so only in times of severe economic shocks, as was intended when the program was originally introduced. There are no immediate savings associated with this measure.

The bill also includes an amendment to the Public Utilities Income Tax Transfer Act, PUITTA. Under PUITTA the federal government transfers to provinces and territories most of the federal corporate income taxes paid by privately owned electrical and gas utilities.

These payments were intended to level the playing field between privately owned utilities which pay income tax and provincially owned utilities which under the Constitution do not. However, it is up to the provinces and the territories to decide whether or not they will pass these savings through to utilities companies or to consumers.

Most provinces and territories do not rebate the payment to utilities or consumers. The majority retain it as general provincial revenue. Moreover, none of the provinces rebate its own provincial income taxes to these utilities.

The Standing Committee on Finance recommended that the federal government eliminate PUITTA transfers. Under the current fiscal circumstances, the continuation of PUITTA payments can no longer be justified. Therefore, the legislation proposes that PUITTA be terminated as of March 31, 1995. This measure is expected to reduce expenditures by an estimated $200 million in 1996–97 and $280 million in each of the two subsequent fiscal years.

The bill contains a final measure affecting transfers to provincial governments. It concerns the vocational rehabilitation of disabled persons Act or the VRDP. Under this act the federal government pays 50 per cent of the cost incurred by provinces in assisting disabled persons to become employable. As part of the government's reform of social programs, the maximum contributions to the provinces under the VRDP will not exceed the 1994–95 levels starting in 1995–96. VRDP entitlements are expected to be about $168 million in 1994–95. This measure will result in estimated savings of $4 million in 1995–96; $8 million in 1996–97 and $12 million the year after.

Let me turn now to another major area dealt with in today's bill, assistance to business. In the course of program review, departments across government took actions to reduce business subsidies. Such subsidies frequently fail to achieve their desired objectives. Many work counterproductively, discouraging adjustment and innovation. Overall the government is proposing to cut business subsidies by 60 per cent. This includes agriculture and transportation subsidies that were designed decades ago.

• (1030)

The bill proposes to repeal the Western Grain Transportation Act, WGTA, and to terminate the western grain transportation subsidy paid to railroads effective July 31, 1995. The reform of the WGTA will result in savings of $2.6 billion over the next five years.

However it is more than a deficit issue. The elimination of the subsidy will encourage the development of value added processing and the production of higher value goods. It will result in a more efficient grain handling and transportation system. It will help maintain our market access for grain sales in foreign countries and comply with our obligations under the agreement established with the World Trade Organization.

A number of further initiatives will facilitate the transition to the new system. They include a payment of $1.6 billion to owners of prairie farm land.

Mr. Taylor: That is not enough.

Mr. Walker: For the NDP it is never enough. The bill provides for the regulation of maximum freight rates that can be charged by railway companies to move grain from the prairies. The transition from these maximum regulated rates to commercial rates will take place over a five–year period.

The bill also proposes the elimination of the Atlantic freight subsidies under the Atlantic region freight assistance program, ARFAA, and the Maritime Freight Rates Act, MFRA. These measures to take effect July 1995 will save nearly $100 million a year.

The Atlantic freight subsidies have proved inefficient in reducing shipper costs. They have, moreover, encouraged companies to structure their investments and organizations to meet regulatory criteria rather than for sound business practice. The subsidies are of marginal and declining importance to regional economic activity since transportation services in the region are now much more competitive than they once were.

To help ensure that elimination of a subsidy contributes to a better transportation system, the budget announced a five–year $326 million transportation adjustment program. Provinces will be able to target assistance under the program to meet local shippers' needs and upgrade infrastructure. Among other things it should help modernize the highway system in Atlantic Canada and eastern Quebec.

A third area of concern is transfers to persons, particularly the veterans program. An initiative as sweeping as program review must inevitably touch upon some programs that provide payments to individual Canadians. When the Department of Veterans Affairs underwent review the decision was taken to preserve all essential programs and services for veterans who had served Canada. However the department took steps to control cost, eliminate overlap and duplication, and return programs to their original purpose.

Accordingly the bill proposes that the war veterans allowance be discontinued for former members of resistance forces and for allied veterans living abroad for more than six months within a calendar year. As well, new allied veterans will be ineligible for war veterans allowance unless they were pre–war residents of Canada.

Further, effective from budget day no new applicants will be accepted under the education assistance program because it duplicates other available programs. Also the veterans travel program will be restructured so that the benefits are rationalized.

A fourth area of concern is consular services. Not all departments offer the same scope for savings under program review. However each is contributing to the restructuring process. Cost recovery is one such step. The Department of Foreign Affairs,

for example, will be shifting a greater portion of the cost of consular and trade development functions to the prime users.

Therefore the bill includes provision that would authorize the department to levy an additional fee for Canadian travel documents such as passports. As a result of the measure the cost of a regular five–year passport is expected to rise between $20 and $30. However, even with the increase, the cost of a Canadian passport will still compare favourably with that of many other industrialized countries.

The measure will help the Department of Foreign Affairs to maintain the high quality consular services it currently provides.

• (1035)

The next area is the public service. The measures I have outlined along with other initiatives arising from program review mark the transition to a more focused, effective and frugal federal government. Such a government will need fewer employees to deliver programs and services.

At the time the 1995 budget actions are fully implemented federal employment is expected to decline by 45,000 or 14 per cent. The government appreciates the valuable service its employees provide. We are committed to managing the reductions in a fair and orderly fashion.

In keeping with the commitment the bill proposes to change the public sector compensation act to allow for an early departure incentive. The incentive can be taken up by as many as 13,000 to 15,000 employees in the departments most affected. We estimate the cost of the program for the public service, the military and certain separate employers and crowns to be about $1 billion, which will be included in the 1994–95 fiscal year.

Other proposed changes in the act will allow for cost neutral changes to non–salary terms of employment and for certain new kinds of leave. For example, employees will be permitted to take off blocks of time and have their incomes averaged over the year.

In addition, we are proposing amendments to the Public Service Employment Act that will give public sector managers more flexibility in staffing arrangements. This would include, for example, the block transfer of employees with their functions within the public service.

Employees affected by the downsizing who decide not to take advantage of the departure incentives will have a reasonable period of time to find employment elsewhere in the public service, but that period cannot be indefinite. The government simply cannot afford to pay people for not working.

Accordingly the bill also includes amendments to the workforce adjustment directive so that surplus employees in the departments most affected who decline departure incentives will cease to be paid after six months and will be laid off one year thereafter unless alternative employment is found.

The vast majority of items in the bill are obviously about reducing the deficit. However there is one that relates to financing the deficit and the debt. The bill contains amendments to the Financial Administration Act that will enable the government to efficiently sell debt securities to individual Canadians under the retail debt strategy. The amendments will allow the federal government to offer Canadians improved access to a family of safe and secure Government of Canada obligations.

The proposed amendments include new authority for the government to issue securities without physically printing certificates, thereby promoting more efficient and less costly electronic transfers.

The amendments will also enable government to buy its own securities at the time of issue. This way they can be sold to retail buyers through a special government agency set up for the purpose.

There is one final measure in the bill I should like to mention, locked–in RRSPs. Currently holders of locked–in RRSPs are limited to purchasing life annuities with the funds. In order to provide such individuals with greater flexibility in managing their retirement income, the bill includes an amendment to the Pension Benefits Standards Act that will allow holders of locked–in RRSPs to purchase life income funds.

Today's legislation will play a key role in setting our country on a course to fiscal responsibility and to governmental renewal. The legislation will help ensure that our budget goals are translated into real performance. It draws directly on the advice we have received from across Canada. It focuses on the total economic and social picture before us and addresses the challenges we all face.

The budget and the bill reaffirm the government's fundamental objective of sustaining growth and job creation. They achieve that by meeting the fundamental requirement of restoring fiscal health by refocusing government on priority roles and needs.

In summary, Canada needs and Canadians support the legislation. They have already demonstrated support, and I urge all members of the House to do likewise.

• (1040)

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Madam Speaker, thank you for giving us the opportunity to speak again to some elements of the finance minister's budget through Bill C–76, which implements, in particular, three important provisions regarding transfer payments to the provinces, rail trans-

port and part of sea transport, as well as labour relations in the Canadian public service.

If I may, I would like to focus my remarks on the part of Bill C–76 dealing with transfers to the provinces. I will let my colleagues address other important aspects of Bill C–76 during this debate but, if I may, I would like to focus my presentation this morning on the important issue of transfers to the provinces.

As members know, Bill C–76, as announced in the budget speech by the Minister of Finance, provides for the elimination in 1996–97 of two federal transfer programs. The first program, commonly called the Canada Assistance Plan or CAP, is the federal government's contribution to the various social assistance programs implemented by the provinces. This contribution amounts to 50 per cent of the social assistance budget in most Canadian provinces.

The second transfer program to be eliminated, commonly called EPF or Established Programs Financing, is the federal government's contribution to the cost of provincial health care and post–secondary education.

Starting in 1996–97, Bill C–76, which derives from the finance minister's budget speech, would replace these two programs with a single payment called the Canada Social Transfer.

There is a snag, however. Before giving the money to the provinces, the federal government would slash the funds historically allocated to the Canada Assistance Plan, health care and post–secondary education. One might say that, in the next few years, the federal government will make cuts to this proposed single payment, this block funding, to the provinces.

It will cut transfers to the provinces by $7 billion over the next three years. I would put it to you, as we have repeatedly said before and as we can never say often enough, that this so–called reform of federal transfers is just a plot to offload onto the provinces deficit problems that the Minister of Finance is unable to solve.

In 1996–97, the cuts in transfers will be distributed among the provinces according to each province's share of transfers for Established Programs Financing and the Canada Assistance Plan. Under clause 15 in Part V of Bill C–76, Quebec will be deprived of more than $650 million as of next year.

In 1997–98, the Canada Social Transfer—imagine calling it a social transfer—will be distributed among the provinces according to criteria to be negotiated. Although technical, the distribution criteria are crucial for the financial future of the Canadian provinces, and Quebec in particular.

Although my demonstration may appear technical, I urge you, Madam Speaker, to pay attention because it is of paramount importance in helping us understand the smoke screen, the fraud, the sham that is the reform proposed by the Minister of Finance.

If the criteria established to determine how this fund will be distributed among the provinces, if the method of distribution remains the same as it is today, Quebec will have a $1.2 billion shortfall in 1997–98. I put it to you that this is not likely to happen since, according to the Minister of Human Resources Development, the method of distribution may be changed because, for example, Ontario—which elected a large number of Liberal members—demands such changes. Ontario, the wealthiest of Canadian provinces, feels discriminated against under the current distribution criteria because it does not receive a share consistent with its demographic weight within Canada.

• (1045)

In spite of what it may have been saying since the tabling of the budget, the federal government wants to change the allocation criteria of the fund, which was originally targeted for social assistance, health and post–secondary education, and use the demographic weight of the provinces as the primary criterion for allocating these moneys. In other words, Ontario, which has the largest population, would get the largest share, even though it is also the richest province. We keep asking the Minister of Finance and the Prime Minister about this issue, and neither one will deny the intention to split the Canada Social Transfer according to the population criterion.

If this is the case, and if our fears are founded, the result would be catastrophic, particularly for Quebec's public finances. Such a system might also be unfair. Indeed, if the population of a province is the criterion used, as suggested by the Minister of Human Resources Development and not denied by the Minister of Finance or the Prime Minister, Quebec would absorb 41.7 per cent of the total reduction in provincial transfers, in 1997–98.

If this allocation criteria is used, Quebec's shortfall will go up from $1.2 billion, based on the current allocation system, to close to $2 billion in 1997–98. Quebec's public finances would already suffer a loss in 1997–98. The federal government is saying to the Quebec government: it is your problem; we did not have the guts to assume our responsibilities, but you do it. A shortfall of $2 billion is not peanuts.

Two billion dollars. And the government has the nerve to imply that it might not be the case. The members opposite do not deny anything, yet we are told that this might not be the case. Even if the current criterion is maintained, there will be a $1 billion shortfall. If you use the population as the allocation criterion for this federal money, that shortfall climbs up to $2 billion.

Someone will have to do some planning in Quebec. We do not know what awaits us? Why is that? It is because this government lacks the courage to get down to work, to assume its responsibilities and exert tighter control over Canadian public finances, but it is also because it is incredibly hypocritical. This government knows that Quebec is about to launch a referendum campaign and that Quebecers will have to make a crucial decision this year.

Consequently, it does not want to show its true colours. It does not want to show that the federal system is obsolete and going bankrupt. It does not want to show that the federal budget will hurt Quebecers, who will have to pay more and more taxes for fewer and fewer services, and who will witness a crisis in their provincial public finances, thanks to Ottawa. The federal government is hiding all that.

I can tell you that the allocation of federal money based on the population criterion is being formally discussed among top government officials. These senior public servants are saying: do not mention the fact that we told you. Do not mention the fact that this government is hypocritical, that it is waiting for Quebecers to decide on their political and constitutional future before giving them a shock treatment and making them pay and get bad news year after year, since this federal system can no longer survive and can only cause serious damage to Canadian public finances. Where is this said? Nowhere. Why? Because it would be tantamount to telling Quebecers: "Look, this is hurting you and it will continue to hurt you year after year".

• (1050)

This system is taking us nowhere, with the morose political and social climate it will be creating for the next few years, because cosmetic and hypocritical changes like those regarding transfer payments to the provinces will not fix the basic problem of the system. The problem is that it is a big machine, totally outdated and completely dysfunctional, no longer capable of meeting the needs of the 1990s and of the next century. The government will certainly not tell us that before the referendum.

Regarding transfers to the provinces, Bill C–76 also contains a provision that I consider cynical and arrogant, particularly as far as Quebec is concerned. Clause 13, Part V, provides for the maintenance of national health standards and the introduction of new national standards in the areas of social assistance and post–secondary education. Provinces who do not comply will lose their entitlement.

Imagine that, they will be cut off. As if what we get back from the federal government in the form of transfer payments was all Ottawa's to begin with. As if these public funds were a gift from this munificent federal benefactor to the provinces. The fact is that this is taxpayers' money being redistributed to taxpayers in Quebec as elsewhere.

In Quebec, we pay the federal government $30 billion in taxes each year, $30 billion. And they are threatening us? They say that new national standards on social assistance and post–secondary education will be introduced and that provinces who do not comply with these standards—which may be sheer nonsense in relation to the socioeconomic and cultural reality in Quebec—will see their transfers cut off.

Madam Speaker, can you imagine what that could mean to have, in Quebec, education standards imposed by the anglophone majority in Canada? Do you have any idea? Can you imagine how this sounds to Quebecers, with all the historical references we have?

Can you imagine Clyde Wells, in Newfoundland, with his friends and accomplices elected to the federal Parliament, determining indirectly, through Canada–wide standards, the content and goals of the education system in Quebec? Can you believe that we will be entitled to only 25 per cent of the power of decision over post–secondary education matters? Is that what the people of Quebec want? I do not think so.

They should know, however, that this is what this government stands for. We know what the introduction of Canada–wide education standards means. It means that Ontario, Newfoundland, the anglophone majority in Canada will have a say in how our education system, this system through which our identity and culture as Quebecers is perpetuated and passed on from one generation to the next, should operate. That is what is proposed, what this says.

We are told not to worry because, before Canada–wide standards can be implemented, negotiations will be held with the provinces and a consensus will be have to be reached. This is not a guarantee that there will be no Canada–wide standards. Given this government's record, a government that forced the repatriation of the constitution upon us, in spite of the numerous objections raised by Quebec, and the Quebec National Assembly in particular, we can easily imagine that these Canada–wide education and social assistance standards will be implemented.

This measure may not have a financial impact, but I can assure you that its political impact and the impact it will have on Quebec's culture and cultural future are indeniable. That is what is unacceptable to the official opposition, the Bloc Quebecois.

• (1055)

It should come as no surprise that this bill contains a provision that thumbs its nose at historic facts and ignores the need for Quebecers to control 100 per cent of their future, their culture and what they are. It should come as no surprise that this political bludgeon should materialize in a bill on public finances.

I am certainly not surprised, and this week I had the same reaction when a motion was tabled in the House on Quebec's representation in the House of Commons, asking for guarantees—as was the case in the draft constitutional agreements that followed the demise of Meech Lake—that Quebec would have

25 per cent of the seats in the House of Commons, and I even saw Quebec members of the Liberal Party vote against the motion.

I saw the hon. member for Brome—Missisquoi, the newly elected member, the other guy's brother, rise in the House to say he was against guaranteeing 25 per cent of the seats in the House of Commons. I saw the Minister of Finance and member for LaSalle—Émard rise in the House to vote against guaranteeing Quebec 25 per cent of the seats in the House of Commons. This is a man who represents Quebecers, Madam Speaker, and he rose in the House to vote against this guarantee of representation in the House of Commons.

So it should come as no surprise to see one of the main pillars of the preservation and renewal of Quebec culture, our education system, bludgeoned in this way, and I am referring to the possibility that national standards will be imposed and that decisions will be made elsewhere on the orientation, content and objectives of our education. I am no longer surprised. Nothing would surprise me in this Parliament. Nothing would surprise me, coming from this Liberal government and its few distinguished members from Quebec.

It is a disgrace. I felt sick to my stomach this week when I saw that. I had the same feeling I did last week, when I saw a member from Manitoba speak out against revoking the conviction of Louis Riel for high treason. This was hard to stomach, especially from a member for the same riding Louis Riel represented before he was hanged for high treason. What is going on here? I knew, and we could tell from the outside before we were elected, and now we can see it firsthand. What is happening here is a disgrace, a patent denial of our history, and again, this refusal to make amends for certain historic facts that are a disgrace to Canada and Canadian federalism.

They tell us: Do not worry, national standards will be negotiable. It does not say anywhere in this bill that national standards will require unanimity or a consensus among the provinces. The federal government reserves the right to apply them whether the provinces agree or not. Here, the old guard is up to its old tricks: the current Prime Minister, the Minister of Foreign Affairs and the Minister of Human Resources Development were all there in the previous Liberal government. They are up to their old tricks of wanting to tell the provinces what to do and arrogantly imposing a centralist vision on all Canadian provinces, including one province they feel is just like the others, and they say that right here, and I am of course referring to Quebec.

It is the same gang that misled us in 1980, when those federalist members, now ministers, were out on the hustings. One is now Prime Minister. They went around saying: If you vote no in the referendum on sovereignty, it will be a yes to renewed federalism, yes to decentralization and yes to flexibility. A year later, they literally shunted Quebec and the Premier of Quebec and Quebec's aspirations aside, saying: We have an agreement, the federal government has an agreement with the other Canadian provinces, and Quebec will have to go along. That is happening now with a very ordinary bill to implement certain provisions of the budget of the Minister of Finance.

• (1100)

The old gang, the one responsible for the show of force in 1981, patriated the constitution. We have to keep saying this. We tend to forget what happened. Despite the near unanimous decision of the Quebec legislature, the Liberal government of the time patriated the constitution. This was the government of Mr. Trudeau, who is no longer a member here, and his acolytes—the present Prime Minister, the Minister of Foreign Affairs, the Minister of Human Resources Development and others. The Liberal government, at that time, also ensured Quebec's exclusion. I tell you I see the hand of the old gang in this bill. This is the gang that is telling Quebec: "Forget your nationalist and sovereignist claims, that is all over, you are going to be included. You will have to bend and we will make you bend", to the delight of the Reform Party members.

The government's objective with regard to transfer payments to the provinces is clear. The government presented things clearly too. It wanted to avoid having to make difficult decisions this year, because, with the Quebec referendum, it would mean revealing the failure of the federal system. Furthermore, it wanted to try and minimize the impact of cuts in social assistance, post-secondary education and health care transfers to the provinces. These cuts are serious.

The government, and its Minister of Finance, is an old hand at deception, illusion and hypocrisy. It managed to leave the impression that these cuts would hurt neither Canadians nor Quebecers. It managed to do what it wanted. Things this year do not look too bad, really. However, for next year, it covered up the fact that everyone is going to have to pay and that it is going to be tough and will keep on being tough. It will keep on being tough until 2050, because the system is outdated and does not work anymore.

I will tell you that the shortfall the Quebec government will be facing in the next few years is equivalent to the operating budgets of all of the hospitals in Quebec, except those in Montreal and Quebec City. This is a considerable amount. The money to operate all the hospitals in the outlying regions, that is what the federal government is cutting from its transfers to the provinces.

In other words, in this budget, with regard to transfers, the federal government is making Quebec and the other provinces shoulder the offensive part of the reform, which the Minister of Human Resources Development was unable to complete, for the moment, and which the Prime Minister wanted to keep under

wraps this year for strictly political reasons. I tell you—this is unacceptable.

In essence, the approach, the thinking, by the Minister of Human Resources Development is more or less as follows. I would not be stating it too directly by putting it this way: social programs and unemployment insurance have to be cut in order to stimulate job creation and growth. Imagine, Madam Speaker, hitting the unemployed and the poorest people in our society in an effort to stimulate growth and boost job creation. What great thinking. It sounds like Liberal thinking to me. It sounds like Liberal ideals.

I tell you, as is often said: this Liberal government is the most Conservative government Canada has ever had. Its thinking runs totally counter to Liberal thinking.

• (1105)

And I repeat, it is too important not to, that we have noticed over our 16 months here that the government believes it should cut social programs and unemployment insurance in order to create jobs and stimulate the economy. Even the ultraconservatives of the last century were less direct, less tough than that.

An hon. member: Less hypocritical.

Mr. Loubier: You are right, dear colleague, most importantly, they were less hypocritical. But why should we be surprised? Earlier, we talked about the failings of the old Liberal gang coming out again in the national standards issue and the push to bring Quebec into line. And other old flaws are surfacing too. Relatively new old flaws, however, because they only go back a few months. They only seem old because we were so shocked by what they said that it seems that they have always been saying it.

Why should we be shocked by the ultraconservative philosophy of creating jobs and kick starting the economy at the expense of the unemployed and the most needy, when a few months ago the Prime Minister himself said to a group of influential Toronto business people, a bastion of federalism and of extreme right–wingers, maybe even friends of the Reform movement, that the unemployed all sat around and drank beer? The leader of the country and of the government, the Prime Minister himself, said that the unemployed sit around and drink beer.

In light of this, what is so surprising about creating jobs and kick starting the economy at the expense of the unemployed when the philosophy of the country's number one man, the head of the government, is not to help the unemployed, not to create jobs, but to call them all beer drinkers?

How do you expect the government to take a different approach in Bill C–76, which by the way, basically says the same thing as the Prime Minister except in more diplomatic and eloquent language, when the Prime Minister's opinion is that the unemployed, the people displaced by the structural changes in the workforce, all just sit around and drink beer?

Why should it come as a surprise that the Minister of Transport was cynical and arrogant during the latest dispute, when he once again used bully tactics, harshness instead of the civilized options proposed by the official opposition? Once again, in front of a large audience, he said things that were so revolting that union representatives walked out on him. He said how do you expect railway workers with only a grade nine education to understand what is going on? Just imagine the arrogance and cynicism it takes to say such a thing, that railway workers cannot possibly understand what is going on because they only have a grade nine education, and for the Prime Minister to say that the unemployed like to sit around and drink beer.

In your opinion, what kind of bill, what kind of vision of social and economic development for Canada can come from people with that kind of attitude? Such things as cutting the unemployment insurance fund, cutting everywhere. That is the Prime Minister's vision, which the Minister of Transport and the Minister of Labour both share.

This is not surprising, here I digress from the bill, but it is not surprising because last year, the Minister of Finance took $600 million from the unemployment insurance fund without batting an eye, this year, he will take $2.4 billion and next year, $4 billion. That is their full employment policy, the full employment of all means available to them to take from the unemployed all means at their disposal to replace a lost job with one of equal quality and to participate in the growth of the economy which has been stunted since the 1990 recession.

Overall, the federal government will cut transfer payments to the Government of Quebec by 32 per cent between 1994–95 and 1997–98. That is a lot. A $2 billion shortfall to be made up has been mentioned, but 32 per cent is enormous.

• (1110)

I repeat, this is no gift. The federal government is not giving us a gift. It is not a gift from any other source either. It is money from Quebec and Canadian taxpayers. The government is telling us that it is making cuts, but keeping certain other transfers. It cuts 32 per cent of our own money, which it redistributes in the areas of health care, post–secondary education and social assistance and we have absolutely no say in the matter.

No one at the prebudget discussions, and I attended all of them along with my hon. colleague for Témiscamingue, some of my colleagues went several times, no one told the Minister of Finance to do what he did. No one ever told the Minister of Finance he should avoid his responsibilities and offload his

problems onto the provinces. No one told the Minister of Finance he should blithely cut unemployment insurance.

At no time, during the hearings held across Canada, from east to west, in the maritimes, Quebec, Ontario, the prairie provinces and British Columbia, at no time did anyone say that education should be cut. On the contrary. Education is fundamental to the success of nations today. No one ever said it should be cut.

No one ever said there should be cuts in health care either. Canadian nationalism is built in part on social programs, and the health care system in particular. Canadians are proud of this system. No one called for cuts to this system. What we got, however, was a 32 per cent cut over the coming years. I can count on my fingers the number of people who advocated this route to the Minister of Finance. I could even name them for you, but it would be a waste of time, and I have other things to say.

I will name one, Thomas d'Aquino, the head of the Business Council on National Issues. He told the government to slash everywhere, everywhere that is, but in subsidies to Canadian business. He was the only representative of business to tell the government not to cut the $3.8 billion paid to business or to suggest it be done gradually to avoid having a harmful effect. He never said, however, that a $7 billion cut in the unemployment insurance fund would hurt. It was not a major concern for him.

Some business people suggested cutting transfer payments, but these are not the people the government has to serve if it really cares about meeting the needs of the citizens of Quebec and of Canada. It should be working for ordinary people in Quebec. But their hands are tied when they form the government and come against those who finance the federal party. That cannot be stressed enough.

When a bank contributes $45,000 to the Liberal Party of Canada, should we be surprised to later learn that the bank, and all banks in fact, do not pay their share of taxes? Why should we be surprised to see that they only have to pay a temporary tax, staggered over two years, which will bring in a paltry $100 million, even though banks made $5 billion in profits this year? That is what happens when there is no policy on the public financing of parties. That, and other things.

Regarding this 32 per cent cut in transfer payments over the next few years, I would say that although Canadian federalism was at one time profitable for Quebec, we all agree on this point—if we go back 30 years, as did one study recently, or 20 years—so, yes, it was profitable at one point, but it no longer is. They should stop trying to fool us.

Even André Raynauld, a good Liberal economist, whom I regard as very competent, a former Liberal minister at that, said when he appeared before the Bélanger–Campeau Commission in 1990, that from 1988 on, Quebecers had not been getting more from the federal government than they were putting in. That was in 1988, but since then the difference between the $30 billion in income taxes and other taxes that Quebecers pay into federal coffers and what the federal government gives in return has grown.

We are in the red. Look at it from any angle you wish, go ahead and crunch the numbers and try to make it look as if the deficit were equally shared by all the provinces. Between you and me, it is an exercise in futility. We all know that the right calculations, the true credit and debit entries show that Quebec gets less from the federal government than it contributes. And this deficit will only grow over the next few years.

• (1115)

And the reason is precisely because it represents 32 per cent of federal transfers to the provinces, including Quebec, 32 per cent less in federal transfers. In the case of one of the items, we were told that we were receiving more than we were paying. That was before this year, with reference to the unemployment insurance fund. But, this year, the fund will no longer have a surplus. This means that the contributions of employees and employers in Quebec will also correspond pretty much to what unemployed Quebecers receive. Even if the trend continues, there will be a deficit of 188 million dollars with respect to what employees and employers in Quebec are paying and what Quebecers will be receiving in unemployment insurance.

Therefore, not only is there no longer a surplus, but there are cuts of 32 per cent in federal transfers, and, as is always forgotten, that will be on top of this deficit. Given this deficit, the federal government's expenditure items need to be looked at carefully. We have always said, and it is even truer today, that the most important expenditure items are those which stimulate the economy, such as research and development, purchases of goods and services, expenditures in the agricultural and transportation sectors, and so forth, the expenditures that contribute to prosperity, economic growth and job creation. But in Quebec, these growth promoting expenditures are a concern. For 25 years now, Quebec has indeed had a surplus, but a surplus in terms of unemployment and social assistance benefits. And this surplus situation is attributable in part to structural problems in the Canadian economy. The problem was also that this system did not meet the needs of Quebecers in need.

And so we were told: "There are problems, but do not complain because you are getting larger transfer payments". This is no longer the case. Now, there is no longer any attempt to provide any relief for the increasing unemployment and poverty in Quebec, and, in addition, the transfers necessary for the

economy are not available. Hardly an advertisement for federalism. We have seen better elsewhere.

If at least—for there is nothing in the budget that I find acceptable as far as transfers are concerned—there had been some sign of a real, not just a cosmetic, improvement. Even the financial community has issued a warning, saying that, in the first year, the government's rating was being maintained, but that it was being watched. But no real improvements were made. The big federal machine, the heartless federal machine that is cut off from the needs of Quebecers and Canadians, rolls on.

No departments are eliminated. There is a transfer of expenditures, of deficit responsibilities to the provinces. Because the minister lacked the courage to assume his own responsibilities, he is letting the provinces do the dirty work, but the system as such remains unchanged. The big, inefficient system is still in place. They will say that we disagreed with them. Not only did they not do anything, not only did they not fix anything, but they hurt the provinces, the most disadvantaged, the unemployed, the people on social assistance, and they are about to do the same to seniors.

I would have liked to address the issues of transportation, labour relations and the disgraceful layoffs in the public service. Again, we never said that we should not cut fat throughout the entire system. This has always been our policy, except that there is a way to do it while showing respect for the workers. It is easy to see, however, that this government has no respect for anything. It does not even comply with the Canada Labour Code. It tried to silence us in last week's debate on the rail dispute and refused an opposition motion for more civilized labour relations and a return to work with the possibility of collective bargaining.

If only for the issue of transfers, I would like to propose a motion. I move, seconded by the hon. member for Châteauguay:

> That the motion be amended by deleting all the words after the word "That" and substituting the following therefor:
>
> "Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, be not now read a second time but that it be read a second time this day six months hence."

In other words, the Minister of Finance should go back to the drawing board and do his homework, because he acted in a disgraceful way, even in trying to meet his goals some time in 1997–98.

• (1120)

The Acting Speaker (Mrs. Maheu): The House has heard the motion. Is it the pleasure of the House to adopt the motion?

Some hon. members: Agreed.

Some hon. members: No.

The Acting Speaker (Mrs. Maheu): Resuming debate. The hon. member for Kindersley—Lloydminster.

Mr. Loubier: Madam Speaker, I tabled the motion, you read it and asked if we approved the motion. Some hon. members shouted "yes", others "no". I do not understand what happened after that. Can you tell me?

The Acting Speaker (Mrs. Maheu): I asked if it was the pleasure of the House to adopt the motion. The answer was "no". So, we are resuming debate.

Mr. Loubier: No, Madam Speaker. We answered "yes".

The Acting Speaker (Mrs. Maheu): I will get back to you on this matter in two or three minutes, after taking advice. You may be right, but I would like to wait for further advice.

Mr. Loubier: Normally, Madam Speaker, one would expect the Chair, after putting the question to the House as a whole, to ask us to vote "yea" or "nay" and then, if you declared that the motion was negatived, we would have stood up. But we were waiting for this cue to stand up.

The Acting Speaker (Mrs. Maheu): I will get back to you in a moment.

• (1125)

Order. Resuming debate on the motion of the hon. member for Saint–Hyacinthe—Bagot, pursuant to Standing Order 67(1).

[*English*]

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Madam Speaker, it saddens me that we have to debate Bill C–76 today. This bill implements laws allowing the government to put Canadians another $32.7 billion in debt. It saddens me even more that the government feels this is acceptable. It is not acceptable. It is a deplorable act of financial incompetence of a weak kneed government.

The government borrowed a few pages from Reform's taxpayers budget in order to cut spending in some areas. The Liberals only did half the job, however. They would have been much better off following all of our suggestions, not just a few select pages. A lot of the rhetoric was right, but a lot of the numbers were wrong.

Because of the Liberal's failure to make all of the necessary cuts to get Canada back on track to financial good health, we continue on the debt treadmill. The budget is the minimum possible budget. The Liberals cut only enough to compensate for the additional interest charges their over spending has created.

The net effect of the bill which implements a budget that creates a greater indebtedness is before us, and deficit financing continues into the future. The only reason the deficit goes down at all is that the Liberals plan to take over $10 million more out of the economy.

Even if everything goes their way, they will still have a $25 billion deficit which is unacceptably high. The finance minister and the Liberals do not get it. The Minister of Human Resources Development seems to think the role of government is to continually come up with new and exciting forms of taxation. The Minister of Finance hesitated to rule out the Tobin tax or any other new taxes. This is the best way to bankrupt a country. The government simply cannot solve the nation's financial mess by taking more out of the economy through taxation.

No nation has ever spent and borrowed its way to prosperity. Quite the opposite is true. Many great nations and empires have fallen because of the growth of government and taxation. Perhaps the most prominent among them is the Roman Empire. When faced with the oncoming barbarian hordes, many of the outlying states decided to throw their lot in with the barbarians, saying: "Better the barbarians we do not know than the taxes we do know".

Not only some in Quebec but some folks in the western provinces are using the huge debt and growing taxation as a platform for seceding from the federation. For the sake of national unity we need to eliminate the deficit quickly.

As well, the only way the Liberals will ever be in a position to bring taxes down is to completely eliminate the deficit. We know they will not do it by 1996–97. If the Liberals have a plan to do it after that, they will not share it with Canadians. This is bad news for the Deputy Prime Minister. She made quite a performance out of announcing that she would resign if the GST were not gone within a year. They cannot bring down taxes while running a deficit, so I suppose her career is over. That is a shame. I am sure the House will miss her shrill voice and her partisan, illogical grandstanding. She has looked after herself, however, with a generous two tiered MP pension plan.

As well as being a bad budget for the Liberal Party it is also a very bad budget for Canada. That is the important matter I want to deal with this morning. Apart from the negative impact of continued debt and taxation, the budget creates some inequities in the country.

The cuts made by the government have a very lopsided impact. For instance, the agricultural industry in western Canada is hit harder than any other industry. The loss of the Crow benefit will have obvious long term effects on the industry. The gasoline tax will hit farmers particularly hard. Farming is a very fuel intensive industry and travel is a necessity in rural areas. The government has increased the input costs for farmers, increased the cost of getting the product to market and offered no hope of tax reduction in the future.

• (1130)

Farmers realize many of these things are necessary in order to save the country from financial collapse. What angers farmers is that so many others got off so easily in the budget. If everyone had been hit as hard as agriculture, the budget would have been balanced. We would have had something to show for our effort.

For years farmers have been saying they do not mind doing their share and losing the rail subsidy if other subsidized agencies do the same. Farmers have been hit with a 30 per cent loss to their safety net programs and the entire loss of their transportation subsidy in the west.

At the same time the CBC only gets kicked with a 4 per cent reduction in its subsidy. Does the government feel that a 4 per cent cut to the CBC is comparable to a 100 per cent cut to grain transportation?

The removal of the Crow subsidy appears to have been a last minute decision. It appears pressure was put on the minister of agriculture to find more savings and so he axed the Crow without thinking through and planning for the implications. The minister of agriculture calls it a buy out, but the value of the WGTA is much higher. Some suggest it is more like $7 billion rather than $1.6 billion. He should have more accurately called a Crow buy off at fire sale prices because the federal purse has been mismanaged for so many years by Liberal and Conservative finance ministers they simply do not have the money for a real buy out.

For years the Reform Party has been calling for a long term plan for moving the agriculture industry toward a market system. The government has had a year and a half in office to plan for this transition but it has done nothing.

The government waited until the last moment and then sprung this crow buy off on farmers with almost no warning and no plan for implementation. To date the minister of agriculture has not been clear on who the buy out money is to be paid to, how the amount will be calculated, what the tax implications of the pay out will be for farmers or any of the other dozens of questions that my constituents and farmers across the west are asking.

I am starting to believe the minister's offices cannot answer these questions because it has not even thought through many of these problems yet. The elimination of the Crow benefit has been poorly designed, very ad hoc and in a desperate manner. The minister of agriculture campaigned on the red book promises to develop a long term plan for agriculture.

I want to take a few minutes to look at what the Liberal red book says and what the minister of agriculture has been saying to Canadians. In the red book the Liberal government promised to develop an overall policy for the agri–food sector which will build upon three component strategies: developing new domestic and international markets for Canadian food products; reducing input costs to make farming more viable; introducing a new whole farm income stabilization program that assists farm families to secure their long term future.

The one that jumped off the page when I looked at it was reducing input costs to producers. The government is increasing the input costs to producers. It is doing it through taxation on fuel and by its continued borrowing of money that has to be paid back through both interest charges and principal eventually; farmers have to play a role as they are generators of the GNP.

The red book went on to say that it would preserve policies and programs such as supply management. As soon as the Liberals were elected they were forced to change the nature of supply management as a result of the GATT agreement. Reformers knew this was coming. The whole world knew it was coming. The only people who seemed to think it was not coming were the Liberals. They campaigned they would preserve supply management in the state it was in before the GATT agreement. That was absolutely misinformation to give to the Canadian public. It is unfortunate they would perpetuate this type of propaganda in their election campaign.

They also said they would craft stabilization programs to minimize the impact of market price fluctuations; government support in developing new commercial markets for commodities in which the agri–food industry has a competitive advantage; sustainable agriculture practices to maintain and improve the quality of land and water; emission oriented research to increase productivity and create quality products to meet market demand.

They are very nice words but where is the beef? We have not seen anything yet from the minister of agriculture and there is certainly nothing in the implementation of the budget that would indicate that any of these promises in the red book are about to be fulfilled.

• (1135)

In the first throne speech agriculture was not even mentioned. It certainly does not seem to be a very high priority with the government.

Actions speak louder than words. Let us look at the record of the agriculture minister and the government since they came into power. As far as agriculture was concerned, 1994 was a year of indecision and inaction. It will be remembered by most as a year comprised of consultation and study groups that were not intended to be genuine but rather as a way of avoiding making tough decisions.

Issues that were pursued through legislation in the House were rather insignificant and inconsequential such as Bill C–49, the department of agriculture reorganization bill, Bill C–50, the Canadian Wheat Board research check–off act, Bill C–51, amendments to the Canada Grains Act, certainly not of any consequence to the industry.

Outside the House of Commons the minister of agriculture was heavily criticized over his handling of the durum wheat dispute with the Americans. After months of posturing the federal government caved into the American demands that Canada place self–imposed caps on shipments of wheat to the United States.

The minister also reneged on the promise he and the Prime Minister made during the election campaign. They made the promise they would hold a referendum on the future of the Canadian Wheat Board and barley marketing. They did not carry out that promise.

For 1995 the minister of agriculture is again making some promises and we will be watching to see whether he carries them out. He said in the *Western Producer* of January 5, 1995: "It is a year when we can really see the turning of a corner on a lot of issues. I think 1995 will be a very active and vigorous year in which a number of these issues will come to a head and be dealt with".

We are well into 1995 and to this point we have not seen very much positive by way of performance by the minister of agriculture. There certainly does not seem to be much in the budget to get excited about.

The minister of agriculture in 1994 delayed introducing legislation that would end the backtracking of grain from Thunder Bay to the west. It is a very costly and terrible practice which he had the power to correct. He said he would but then delayed the implementation of the act which would correct this problem and cost producers more money.

From the *Western Producer* on November 17, 1994 the minister said: "I cannot tell you what the amount of the Crow benefit will be. I have to tell you in all candour and honesty that I will expect the number to be somewhat lower and that is a product of the harsh fiscal reality we are living in at this time".

The minister was still giving farmers some indication the Crow benefit would be with us. When this budget came down, which we are implementing through Bill C–56, the Crow was gone. Why was the minister indicating payment would only be reduced when it would be eliminated? These were not the signals farmers needed to make decisions over the winter months as to how they would operate their farms in the current crop year.

Another very interesting issue important to agriculture producers goes far beyond the agricultural industry; it affects all exporters, transportation of our product to port.

I again quote the minister of agriculture from the *Western Producer*, March 10, 1994: "I do not want to jump to conclusions about what is needed". This was with regard to labour problems that plague the grain transportation system: "I do not want to jump to conclusions about what is needed but I merely observe that it is important that all the players work on a way to

avoid this ever happening again in the future. The situation where losses occur for the grain industry because of a dispute outside their control is not acceptable".

That was a little over a year ago. He said it was not acceptable, that we had to deal with the west coast port labour dispute and lockout. As we very well know, we had to deal with the issue of the west coast ports again and the rail strike.

• (1140)

When the minister said it was not acceptable, the problem is he realized it was not acceptable but he did not do anything about it. What is really sad is that he had the opportunity to do something about it. He could have supported the hon. member for Lethbridge when he introduced Bill C–262 in the House. It was a votable motion. The Minister of Agriculture and Agri–Food could have supported it. It would have legislated final offer arbitration for essential services such as the transport of grain to tidewater from the farm gate. The minister of agriculture recognized the problem was unacceptable. He had the opportunity to do something about it and he failed to do it. That is unacceptable to western grain producers.

With respect to research for agriculture, the minister of agriculture said it is fundamental and needs to rank very high in what we do in the future:

> I have not yet had the tough conversation I expect I will have at some point with the Minister of Finance. If you are inconsistent in your research objectives or your research funding you can do a lot of long term damage. I would like to be able to reallocate resources within the department of agriculture should that prove necessary, to make sure that vital things like research do not get fundamentally undermined in the process of reworking the budget. I actually would like to see the situation (funding levels) improved. That may be a bit ambitious in the short run in the face of necessary restraint but the fundamental objective for the long term has to be to increase research and development.

That is from the *Western Producer* of January 27, 1994.

In the budget the minister did not follow through on his commitment. The way I would interpret it is that he was saying: "I do not think I can increase funding for research. I will going have a tough conversation with the Minister of Finance. Certainly we are not going to reduce it".

What the finance minister did in the last budget was cut funding to agriculture research. He is asking the private sector to make up the difference. Perhaps that is a fair request. We could debate that in the House. The problem is the minister of agriculture said something else. He did not follow through on what he said. Not only did he cut funding for research, he also cut seven research station facilities across Canada.

He also said research for the smaller sectors of agriculture would be those hardest hit. What if that had been our policy in the past? There would have been no research to develop canola, one of the greatest assets in the western regions. Perhaps we would not have developed the lentil market we have had we followed the agriculture minister's policy. Perhaps because of his policy we will not develop the herbs and spices market to its full potential. That is a step which would harm diversification rather than assist it. The minister said he is committed to diversification and a broadening of the scope of agriculture. The agriculture minister's actions and his words do not line up.

I would like to return to the situation of supply management. What has happened is very unfortunate. Specifically on on article XI the minister of agriculture stated:

> It is no secret that there is not a great deal of support for our position among the other GATT members. But we will continue to fight for that position. Our bottom line is that we will do what we have to to protect supply management.

It was obvious to the whole world, surely it was obvious to the finance minister, that Canada stood alone in its defence of article XI and that there were to be changes. The agriculture minister should have done the responsible thing and communicated the reality of the situation to agriculture producers. He should have done that before the election rather than waiting until after the election. Now their support is so slim they can do nothing whatsoever and they will have to go along with the changes proposed in the GATT agreement in 1994.

With respect to international trade, in campaign ads in his attempt to win the Liberal nomination in Regina—Wascana in 1988, his material contained the following:

> This election will be the most crucial in our lifetime. It demands strong, decisive action to stop the bad Mulroney trade deal which threatens our future and our very way of life.

That is from the *Leader–Post* of September 15, 1988.

• (1145)

As the whole world knows, we need trade agreements. More of them are being put in place every day. We also know the Liberal government, including the minister of agriculture, campaigned against the free trade agreement. However, once the Liberals got into power they did nothing to change it although they said they would change it. They said they had wonderful changes planned for the North American free trade agreement. Once they got into power they made no changes whatsoever. Again, what the agriculture minister said and his actions were two separate things.

During the 1988 free trade debate the agriculture minister said that the current Minister of Finance and he stood strongly against the trade deal. He said it was not a fair deal but a sellout of our nation. How could it be a sellout in 1988 and then supported in 1993?

There are some real positive aspects to the North American free trade deal. Certainly it is not the perfect deal. Maybe there is no such perfect deal. The problem is that the minister of agriculture and the Liberal government flip–flopped on the issue. They did not keep their word. It is very unfortunate that we do not know what direction we can take from the words of the agriculture minister and his colleagues.

I would like to read one more quote with regard to the durum wheat dispute last year with the Americans. The agriculture minister said:

> Those on the other side of the border who might think that action can be taken against Canada with no consequences, should think again. There will be consequences—I want our American trading partners to know that Canada is not going to roll over and play dead—For every action there will be a reaction.

That is a quote from the Ottawa *Citizen* dated March 30, 1994.

In the newspaper *The Western Producer* the minister said: "No deal is better than a bad deal". That was April 16, 1994. As we know, the minister of agriculture caved into the Americans and agreed to export restrictions of 50 per cent of previous exports to the United States of Canadian durum. Again that is very regrettable. Again the minister of agriculture did not match his actions and his words.

I want to read one final quote regarding the agriculture minister because the Canadian people need to be aware of this. It is with regard to deficit reduction. As members know, for some time Reformers have called for the government to come to grips with the deficit. I have a very interesting statement made by the minister of agriculture in the past with regard to the deficit. He said it is more than irresponsible, it is immoral. Those are the words of the agriculture minister.

I agree with the minister of agriculture. It is immoral to pass on the deficit and debt to future generations. However, the agriculture minister is part of a government that is adding billions of dollars to the debt by annual deficits, last year, in the current budget and in the one that is projected for next year.

I have three primary criticisms of the Crow buy–off in the Liberal budget. I would like to put those on record. First, the government's action on the Crow benefit comes as too little, too late. Three years ago Reformers suggested that the funds for the transportation subsidy for grain should be rolled over into a trade distortion adjustment program that would protect producers from damage received as a result of the grain trade wars. We did not hide this information. It was very public. The Liberals had access to it when they came to power. They determined that they would stick with the old Crow until they could bargain it away in the GATT negotiations when they had no cards left to play in the deck.

Second, the government should have designed and introduced a transition plan prior to the discontinuance of the Crow benefit, not a year or more after it ends. It seems incomprehensible that the federal government would end the Crow benefit on July 31, 1995 and then say it is going to introduce a transition program in the 1996–97 fiscal year. That is really putting the cart before the horse. The Liberals are going to eliminate something and then not have any idea what they are going to put in place for transition. I cannot fathom that thinking.

Third, the government is justified in reducing support to agriculture if, and only if, it reduces spending in other departments and programs by equal amounts so that farmers do not carry an unfair portion of the pain caused by fiscal restraint. This has not happened. In many cases, which I will mention in a few minutes, the federal government has actually increased spending. This is unacceptable. The minister of agriculture has obviously not considered those most vulnerable to the loss of the Crow, namely young renters. I have had many calls from young farmers in my constituency who are renters. They will lose at both ends with the Crow buy–off. First, they are not recipients of the $1.6 billion buyout. Second, they will bear the cost for the additional transportation with the ending of the subsidy. This is truly regrettable because often these young farmers have a pretty tight cash flow situation and low equity. They are not able to go to their banker and command the same infusion of cash for their operations. It is very difficult for them to plan to farm again this year.

• (1150)

I want to really stress this. I am not complaining about the cuts in support to agriculture. I will say it again so that it is clear to the House. I am not complaining about the cuts in support to agriculture. Probably Reform would have done some of the cutting differently and I think better.

I want to point an accusing finger at the government because it did not level with Canadians about the way cuts would be made. It did not level with farmers about how cuts would be made. Particularly it did not level with the western grain farmers about how cuts would be made. It did not level with supply management about how it would deal with that industry. It failed to fulfil its promises. That is truly regrettable.

While farmers took a triple whammy in the budget, the government continues to subsidize special interest and advocacy groups such as the National Action Committee on the Status of Women and others. It continues to provide huge tax breaks and subsidies to big business and doles out millions to western economic diversification and other regional agencies. The Lib-

erals are still planning on sending billions of dollars overseas while cutting programs for Canadians.

I thought it would be interesting to go through the budget and the estimates for this year and take a look at the areas where spending is actually rising. The result is quite interesting and I would like to share my findings with the House.

Spending by the Enterprise Cape Breton Corporation will rise by about 70 per cent from last year to $17.5 million. The Canadian Museum of Civilization will receive 22 per cent more, bringing the total to $46.2 million. The Canadian Museum of Nature's budget goes up by 33 per cent to almost $25 million. The National Gallery of Canada gets a 23 per cent increase to bring its budget to over $33 million. The list continues. The National Museum of Science and Technology gets a 25 per cent increase to $20.5 million. The Status of Women Co–ordinator gets a—wow—322 per cent increase to $15.2 million. I know that farm women do not support that increase to the budget for the status of women.

The increase to the Immigration and Refugee Board, $11 million. Perhaps it is to install more hidden cameras. This is very interesting. The finance department gets a $9.7 billion increase. With a bigger deficit and a bigger debt comes a bigger finance department. That is a real reward for incompetence.

The Canadian International Trade Tribunal receives a $500 million increase. The Federal Office Regional Development Quebec, $34 million; the Superintendent of Financial Institutions, $38,000; the Ministry of Fisheries and Oceans, $121 million. Maybe he will be able to buy some more extravagant furniture with the increase in his budget.

National Health and Welfare is receiving an extra $321 million. It is spending more money while services are eroding. The Medical Research Council, $2 million; Statistics Canada, $5.5 million; the justice department $500,000; Indian and northern affairs, $285 million. That one year's increase is equal to a six–year Crow transition fund. It is just appalling. The Federal Judicial Affairs Commissioner, $1 million; the Tax Court of Canada, $180,000; the Atomic Energy Control Board, $165,000.

The Senate of Canada, $1,000. It actually gets an increase and its members do not even show up for work most days. The Privy Council Department, $4.5 million. More money for the people who brought us the Fowler–Doyle affair. The Canadian Intergovernmental Secretariat, $250,000; the National Round Table on Environment and the Economy is a new agency and its entire $3.3 million budget is new spending. The security intelligence review committee, $6,000, more money to reward recent poor performance; the correctional service, $50 million; the RCMP, $10 million; the RCMP external review committee, $91,000; civil aviation tribunal, an extra $15,000; Treasury Board Secretariat, an extra $32 million; western economic diversification, an extra $26 million.

• (1155)

All of this is new spending. Those departments and agencies are all having their budgets increased while farmers are taking it in the neck. It is not fair.

Overall government spending has moved up since the Liberals took power. In 1993–94 total government spending was $158 billion. The Liberals came to power. In 1994–95 it was $160.3 billion. That is an increase. This year in the budget it is projected to be $163.5 billion. Spending is increasing. It is not decreasing despite some of the spin doctor campaigns that the Liberals are promoting to say that they are reducing the deficit and cutting spending. They are actually increasing spending.

The government has sent a clear message that it feels special interest groups, business subsidies, regional patronage handouts and foreign aid are all more important than the agriculture sector. The budget is nothing more than a raid on the income of hard working Canadians so the Liberals can continue to fund their pet projects with $1 billion of additional tax revenues to help them along.

The budget is a failure. It fails to get Canada off the debt treadmill. It fails to demonstrate that we can avoid hitting the wall. We are already seeing the ill effects of the budget in the value of our currency. The U.S. dollar is plummeting versus other international currencies and our dollar is losing ground to the Americans. The Canadian peso, as it is becoming known, is at constant risk and interest rates may rise because of the weak budget.

It is interesting that the minister of public works is planning to issue a $2 coin. It indicates how little value our currency holds. Soon a coke machine will require a two buck piece for a can of the real thing. The coke will know doubt be more real than the money we use to buy it.

In an effort to prevent a rout on the Canadian dollar and a decrease in our credit rating, the Minister of Finance, the Prime Minister and other members of cabinet have been trotting around the world trying to convince our creditors that we are still a good credit risk. The very fact that our status is in question demonstrates the seriousness of the problem caused by the government and its Liberal and Conservative predecessors.

The best way to sum up the budget is to read a poem written by Dr. John Robson. The poem is based on *Casey at the Bat* by Earnest Lawrence Thayer. Dr. Robson apologizes to Mr. Thayer for sullying his poem by including Liberals in it. I would like to read the poem to the House. It is called *Marty at the Bat*:

It looked extremely rocky for Canadians that day;
The deficit was growing; how short time was none could say.
So when Wilson died on OAS, and The Maz did the same,
A pallor wreathed the features of the patrons of the game.
A straggling few then went off shore, leaving there the rest,
With that hope which springs eternal within the human breast.
For they thought: "If only Marty could get a whack at that,"
They'd put even money now, with Marty at the bat.
But the PM controlled Marty, and Coppsie always sounding off,
And the former was a pudd'n, the latter face down in the trough.
So on that stricken multitude a deathlike silence sat;
For there seemed but little chance of Marty's getting to the bat.
But the PM gave him Finance, to the wonderment of all.
And the much–despised Coppsie saw her influence free–fall.
And when the dust had lifted, and they saw what had occurred,
The HRD man had folded, and Marty could ride herd.
Then from the gladdened multitude went up a joyous yell—
It rumbled in the mountaintops, it rattled in the dell;
It struck upon the hillside and rebounded on the flat;
For Marty, mighty Marty, was advancing to the bat.
There was ease in Marty's manner as he stepped into his place,
There was pride in Marty's bearing and a smile on Marty's face;
And when responding to the cheers he lightly doffed his hat,
No stranger in the crowd could doubt 'twas Marty at the bat.
Ten million eyes were on him as he rubbed his hands with ink,
Five million tongues applauded when he sat him down to think;
Then when the writhing Moody's ground the rating in its hip,
Defiance glanced in Marty's eye, a sneer curled Marty's lip.
And now the budget '94 came hurtling through the air,
And Marty stood a–watching it in haughty grandeur there.
Close by the sturdy batsman the deficit unheeded sped;
'No need for haste,' said Marty; 'Strike one,' the markets said.
From the benches, black with Lib'rals, went up a muffled roar,
Like the beating of vast spending when the tax can rise no more.
'Kill him! Kill the lender!' shouted someone in the stand;
And they might well have defaulted, had not Marty raised his hand.
With a smile of Liberal charity, great Marty's visage shone;
He stilled the rising tumult, he made the game go on;
He produced no mini–budget, and once more tax dollars flew;
But Marty still ignored it, and the markets said, 'Strike two.'
'Fraud!' cried the maddened Lib'rals, and the echo answered, 'Fraud!'
But one scornful look from Marty and the audience was awed;
They saw his face grow stern and cold, they saw his muscles strain,
And they knew their Marty wouldn't let his chance go by again.
The sneer is gone from Marty's lips, his spreadsheet's clenched in hate,
He swears he'll cut most drastically, before it is too late;
It comes to budget time again, the deficit still high;
And Marty swings beneath the ball, and hits an infield fly.
Oh, somewhere in this favoured land the sun is shining bright,
I think it's in Reformland where Presto has got it right;
And somewhere children laugh, and adults raise a festive cup,
But there is no joy in Canada—Paul Martin has popped up.

● (1200)

This budget implemented by Bill C–76 raises taxes. It increases the debt by over $100 billion over three years. It offers no hope of tax relief to Canadians. No member of this House who has any concern for the welfare of their children and grandchildren can support a bill that enables the government to increase the debt load and therefore the future tax load we are leaving for them.

I call on all members of this House to join with my Reform colleagues and me to defeat this budget implementation act. Canada and Canadians deserve better.

Mr. Pat O'Brien (London—Middlesex, Lib.): Madam Speaker, I will be splitting my time with my colleague, the hon. member for Wellington—Grey—Dufferin—Simcoe.

It might have been quicker if the hon. member had read *War and Peace* into the record, but if brevity is the soul of wit, then the poem was neither brief nor perhaps particularly witty.

It has been said by another poet that nothing is either good or bad, but thinking makes it so. That poet was speaking to attitude. We just had a very good portrayal by the member for Kindersley—Lloydminster of the Reform Party attitude about the budget.

He was very effective as a prophet of doom and gloom in speaking about the budget. Quite frankly, as most Canadians know and indeed as the previous speaker well knows, perhaps to his chagrin, the budget is being very well received by Canadians. Although every decision perhaps is not what Canadians would have liked, in general the budget is being very well received and for some very good reasons.

I would like to speak first to the process the hon. Minister of Finance followed in this budget and indeed in his first budget. There has never been a more open and transparent process which has taken place by a finance minister. There has never been a greater opportunity for Canadians right across this land to have input into the budget.

There is very good evidence of that in my riding and in the city of London, Ontario where I live and part of which I represent. The finance minister was in our city for an open forum with a cross–section of groups from London and the surrounding area and other individual Londoners. He received tremendous input during that evening.

All members of Parliament have the opportunity to hold special meetings. I know that most of the members on this side of the House held special prebudget consultations with their constituents.

● (1205)

With the encouragement of the hon. minister, Canadians have never had a better opportunity for input into the budget. Whether one accepts and likes every single budget decision or not, universally the process very correctly is being praised.

It is my view that the budget is both balanced and fair. Now we come to what I said in terms of attitude. We can adopt the philosophy of the Reform Party and the attitude of doom and gloom and that everything is negative, or we can face the fact that yes, there were significant cuts which had to be made. They were necessary. In some cases I would say they were regrettable but necessary.

It is quite clear that Canadians expect us to come up with a more efficient, more effective, leaner but not meaner government in this country. To cut, slash and burn at a more hectic pace, which is what is being suggested by the Reform Party, would produce a much meaner government and a much meaner society which is something I reject as a Canadian and Canadians generally reject.

We had very good evidence of that on October 25, 1993. Canadians were given a clear choice between a gradual, common sense, determined approach to reducing the deficit and debt in this country as outlined in the Liberal red book, and a much more dramatic and draconian approach to the deficit and debt problems put forth by the Reform Party. Canadians spoke very clearly in October 1993 about what choice they preferred. Indeed, they have endorsed that choice again with the reaction we have seen to the budget in the weeks since it was brought down.

Why is that? In my view it is because Canadians understand that if private sector businesses are facing the situation where they must downsize and become more efficient and effective, then so too must governments. It is not incumbent on any government more than the federal government to show by example that this must be done.

I heard repeatedly from my constituents the phrase to just share the pain equally and all Canadians will support it. Just make sure we are spreading it out equally. That is exactly what my constituents have told me. Urban constituents, rural constituents, people in business and in farming, all of whom I represent, have told me they are content with the budget and they think we are on the right track.

One of the best indicators of the budget being very fair and balanced is the fact that we are now up to eight provinces out of 10 that have claimed to have been the hardest hit by this budget. That is one of the clearest signs that the budget is fair and is trying to treat all provinces as equally as possible.

Critics from the left are saying the budget was much too tough. Critics from the right are saying that the budget was not tough enough. Perhaps the surest way we Liberals have of knowing we have reached the right, common sense, balanced decision is just to acknowledge the fact that at the same time on the same decision on this budget we were getting criticism from the right that it was not tough enough and from the left that it was much too tough.

Some hon. members: We must be right.

Mr. O'Brien: That is right. As my colleague says, that must obviously give us some evidence that we must be right. Canadians certainly feel that we have reached a balanced position in the budget.

We have met our targets. For the first time in over 10 years a finance minister has announced deficit targets and has actually held and met those targets. He has exceeded those targets. In just a year and a half this minister has produced two budgets both of which have cut spending and have begun the important government restructuring which must take place as we move toward the 21st century.

In the next three years over $29 billion in savings will be realized. I remind members that there are $7 in cuts for every $1 in revenue in this budget. It is quite clear to Canadians that this budget turns the corner. It puts us on a national diet, if you will. It indicates the way in which we must start to seriously attack this deficit problem with the view to totally eliminating it when that is possible.

• (1210)

The minister's two year rolling target is a sensible determined way to go about this. No, it is not endorsed by the Reform Party, which wants to be much more slash and burn in its approach, but then again Canadians do not generally endorse that view.

The reaction I have had in my riding to this budget has been quite favourable. My constituents are pleased. Canadians from coast to coast to coast have indicated repeatedly that they are pleased. No, not with every single decision in the budget but they are pleased in general that the minister and the government are on the right track.

In my riding I have formed an agricultural advisory committee. The previous speaker from the Reform Party pretty much solely addressed large parts of his comments to agriculture. The farmers I represent have made it clear that yes, they took a hit, but they acknowledge that business subsidies were cut by 60 per cent. The farmers I represent feel that the finance minister got it about right.

It would seem that except for Bob Rae who has an election coming up pretty soon which he would like to duck and some of his colleagues in the NDP—

Mr. Calder: Bob who?

Mr. O'Brien: Yes, it will soon be Bob who? Except for those people on the left and the Reform Party—I prefer to call it the excessive conservative party—except for those two parties on the extremes in this country, most Canadians have reacted favourably to the budget. That is the reality. That is the fact. I know it is not popular to members on the other side but then again, that is life.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Madam Speaker, I listened with interest as the member opposite was going through some Olympian hurdles and patting himself on the back for the marvellous job they did.

Reference to the Olympics would be fair and accurate because the Liberals do have this new Olympic sport. It is called low hurdles. No matter how tough it is, you can only bruise your shins going over the Olympic low hurdles of the Liberals.

We know we have to take some serious hits and Canadians by and large are prepared for it. They are anticipating it and want to do it. We do not want to leave a bankrupt country to our grandchildren. The essence is that it must be fair. If it is not fair, it will not meet with public acceptance on a broad base.

My specific question has to do with the fairness of the budget. It has to do with the Public Utilities Income Tax Transfer Act. How is it that this affects one province disproportionately, the province of Alberta? It affects Nova Scotia and Alberta, no other province in Canada.

The hon. parliamentary secretary said that the reason it is being cut is that it is not being passed along from the province to the individual taxpayer. Does it matter? Is it any business of the federal government what the provincial governments do with that money? It does not belong to the federal government; it belongs to the province.

The idea behind that tax was to ensure that all utilities were treated fairly. An enterprise that establishes itself in Nova Scotia or in Alberta has relatively the same base of taxes for its utility demands.

The hon. member's arm must now be relaxed after all that patting himself on the back. Would he speak to the fairness of two provinces, Nova Scotia and Alberta, being singled out for this punitive tax measure, which is $70 for every single homeowner in either province?

Mr. O'Brien: Madam Speaker, I appreciate the question from my colleague.

I recall for him that I applauded the efforts of the finance minister. Then again, I just joined the vast majority of Canadians who are neither in the Reform Party nor perhaps Reform Party supporters in applauding the minister for a job very well done.

• (1215)

As to the specific question, it is interesting that my colleague singled out Alberta. I would not say he was whining, but I am tempted to think that it sounded a bit like a NIMBY type complaint. Then he corrected himself because he heard information from this side of the House that Nova Scotia was being hit by the same measure.

It was not something that was aimed at the province of Alberta. My colleague had to correct himself in asking his question. The government felt there was no good reason for the measure in that it had to be reformed and it was not aimed at one particular province.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Madam Speaker, I have a question for the hon. member. If his constituents are so pleased, is it not because the government is hiding the truth? Did the hon. member tell his constituents that the federal government was not making any effort to recover the $6.6 billion in unpaid taxes? Did he tell his constituents that they are the ones who will end up paying for the cuts of over $7 billion in federal transfers to the provinces, because the Minister of Finance lacked the courage to put his own fiscal house in order, and chose instead to dump his deficit problems on the provinces?

Did he also tell his constituents that 70,000 companies did not pay taxes, including CN, which made profits of $400 million and did not pay one cent? Mr. Tellier is certainly privileged. Does the hon. member tell the truth to his constituents?

[*English*]

Mr. O'Brien: Madam Speaker, I ask for the indulgence of my colleague to give me the gist of the question again. I had to step outside as he began his remarks.

[*Translation*]

The Acting Speaker (Mrs. Maheu): Could the hon. member for Saint–Hyacinthe—Bagot repeat his question?

Mr. Loubier: Madam Speaker, this is ridiculous. I am not going to repeat all that I said.

The Acting Speaker (Mrs. Maheu): Fine. I was not sure if you were expecting an answer or not.

[*English*]

Mr. Murray Calder (Wellington—Grey—Dufferin—Simcoe, Lib.): Madam Speaker, I rise to speak on Bill C–76, an act to implement certain provisions of the budget. I am reminded of how different one year in the life of a government can be. A year ago following our first budget we were roundly scolded by both the media and our constituents that we needed to do more to cut the size of government to address the deficit.

One year later we have listened, consulted and acted. Not surprisingly we have a budget that has been roundly praised by the media and our constituents as being pragmatic and realistic, a budget for our times.

There are times when fundamental changes must be faced. For Canadians 1995 is a time when choices and change are still possible without destroying the ideals or the principles we as Canadians hold dear.

The government came into office because it believed that jobs and growth must be the nation's top priority if we are to create a climate of economic well–being for all Canadians. To achieve our goal we must act now to restore the nation's fiscal health.

Over the next three years the actions in the budget will deliver upward of $7 or spending cuts for every $1 of new tax revenue. By 1997–98 the deficit could be brought below $19 billion if interest rates and income growth conform with the average private sector forecast rather than with our cautious assumptions.

After extensive review the budget overhauls how government works and what government does. We must redesign the role of government in the economy. We can no longer design programs with one hand in the taxpayer's pocket. The role of government should extend only to those things that government can do best, leaving the rest to those who can do it better.

• (1220)

The budget puts our priorities into action. Between this fiscal year and 1997–98 annual spending will have decreased by $25.3 billion in expenditure cuts. For example, annual spending will decrease by $1.6 billion in defence, $550 million in foreign assistance, $1.4 billion in transport, $600 million in natural resources, upward to $900 million in human resources development, approximately $200 million in fisheries, $900 million within industry, and almost $450 million in agriculture.

As a result of the cutback and reform of programs the public service will be reduced by 45,000 positions over the next three years, representing approximately 20 per cent of the total government workforce. This is not downsizing government. In my opinion it is right sizing government.

As mentioned, a key principle of the 1995 budget is to redesign the role of government in the economy. The decision to dramatically reduce subsidies to business shows that principle at work. The simple fact is that the subsidies often did more harm to businesses than help them as they fostered a relationship of dependence that had nothing to do with good business practices. That is why the budget cuts business subsidies by 60 per cent, from $3.8 billion last year to $1.5 billion by 1997–98.

Areas where subsidies will drop sharply include agriculture and transportation. We can no longer afford subsidies designed decades ago which today are actually restricting and restraining adaptation, diversification and competitiveness.

Western Grain Transportation Act subsidies are being eliminated for a savings of $2.6 billion over five years. However there will be transition measures. We will make a one–time $1.6 billion payment to prairie landowners and invest a further $300 million to help establish a more efficient grain handling and transportation system. As well we will co–operate with provincial agriculture ministers to develop a national whole farm package. It will encourage innovation and diversification while producing a 30 per cent reduction in federal contributions to agricultural safety nets.

The Atlantic freight subsidies are also being eliminated for a five–year savings of $500 million. This will be balanced by a five–year transition program, including help to modernize the highway system in Atlantic Canada and eastern Quebec.

Our cuts to subsidies extend far beyond the agriculture and transportation sectors. At Industry Canada subsidies will be cut in half, from $525 million in 1994–95 to $264 million in 1997–98. The remaining spending will focus on initiatives in high growth sectors in partnership with the private sector.

A new role for regional development agencies will see them focusing on small and medium size enterprises. However the assistance will rely on loans and repayable contributions rather than on direct subsidies. As a result subsidies from these agencies will drop from $700 million to $234 million over three years.

Subsidies to cultural industries are also being reduced, including an 8 per cent reduction to the postal subsidy. As well we are eliminating the Public Utilities Income Tax Transfer Act which returns to the provinces the taxes paid by privately owned utilities. As a result major energy subsidies will virtually disappear, dropping from $410 million to $8 million.

These subsidy cuts are vital components in restoring Canada's fiscal health. We also recognize that there are times and places where government can and should assist the private sector in today's fast changing global environment.

• (1225)

Nowhere is this more evident than in agriculture and agri–food where the government is committed to a growing, competitive market oriented industry that is profitable and responds to the changing food and non–food needs of domestic and international customers.

In support of its vision for Canada's agriculture and agri–food sector the government will, besides the changes already noted, provide $1 billion in credit guarantees for the export of grains and other agri–food products. The government will enhance trade and market development programs to support exporters and potential exporters through the creation of a new agri–food service, including the agri–food trade network, a new agri–food 2000 program, and the establishment of the agri–food marketing council.

As well it will streamline our research infrastructure and reallocate resources to matching investment initiatives up to $70 million per year by the end of the decade. That is $35 million from government and $35 million from industry, a dollar for dollar match. The government will allocate $60 million per year to enhance the sector's ability to respond effectively to an environment of new market opportunities and fewer subsidies.

The program will support better access to capital, new management skills and better infrastructure including improved access to information and technology.

It will reduce dairy subsidies and undertake consultation with industry on the use of remaining moneys to enhance the industry's competitiveness. Additionally it will eliminate the feed freight assistance subsidy in 1995 and redirect approximately $60 million over the next 10 years to encourage agriculture and agri–food development in Atlantic Canada, eastern Quebec, northern Ontario, British Columbia, Northwest Territories and Yukon.

Under the Farm Improvements and Marketing Co–Operative Loans Act the government is proposing to increase the amount of loan guarantees from $1.5 billion to $3 billion to assist in the process of adaptation and change.

The government's proposals in the agriculture and agri–food sector represent significantly the necessary change. With the current fiscal situation we must shift to activities that enhance the industry's ability to compete and succeed in the marketplace.

In conclusion, for too long governments have known the need for change, the need for renewal, but have lacked the will. The government has consulted with the people of Canada, including the agriculture community. I urge members to pass the bill.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Madam Speaker, I appreciate the opportunity to ask a question of the member who during his remarks placed a considerable amount of emphasis on agricultural issues, particularly the elimination of the grain freight subsidy which the budget and the bill bring forward.

The single most devastating element of the budget is the elimination of the Crow benefit, the transportation obligation of the government with respect to ensuring that we have agricultural exports of grain.

The member and the government are aware that regardless of what diversification occurs on the prairies and regardless of what value added industries are in place, anywhere from 60 per cent to 80 per cent of grains grown on the prairies will remain for export. As a result the increase in costs for freight will be substantial and the reduction of income for farmers and the communities they support will be substantial.

I know the government has spent some time in calculating how it would eliminate the subsidy and save the departments of transport and agriculture some money. I wonder if the member has seen any analysis or evaluation that points to or substantiates the evidence the government says is available concerning the long term implications of the withdrawal of the Crown benefit from the prairie economy. Has the member seen any analysis, evaluation or study regarding what the elimination of the subsidy will mean to the prairie economy?

• (1230)

Mr. Calder: Madam Speaker, I would like to respond to the hon. member, that I have not seen a report that means to say these studies have been completed. This is an ongoing procedure right now. We have come up with $1.6 billion to anticipate any property loss that will be experienced by prairie land owners and there is a $300 million program there to soften the blow also.

The issue we really have to look at is the commodity of moving potash in the prairie provinces and moving the commodity of wheat. The transportation costs for the two by the railways has to be the same. The farmer cannot carry the extra cost of having his wheat be more expensive to move and still be competitive on the world markets.

That tells me there has to be a unified front of all the industry players. Everybody has to come up with the most efficient, effective way of moving grain for the international markets. That is the process going on right now.

[*Translation*]

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Madam Speaker, since the hon. member is so fond of figures, I want to ask him if he realizes that the February 28 budget does nothing to improve the medium term indebtedness of the federal government.

If the hon. member did examine the figures and the assumptions contained in the budget, I want to ask him the following questions: What will be the average annual growth rate of tax revenues, for the next three years, based on the Minister of Finance's budget? What is the average growth rate of operating and program expenditures anticipated in the Minister of Finance's budget? Finally, what is the expected indebtedness level of the federal government in 1997–98, according to the Minister of Finance's budget?

If the hon. member looked at the real consequences of the budget of his colleague, it might be a good idea for him to answer these three questions.

[*English*]

Mr. Calder: Madam Speaker, if I could give the hon. member answers to question like that, I would be a millionaire in the stock markets.

We have listened to the forecast from the private sector as to what the anticipated growth will be for this year and next year. Our assumptions have been lower than that.

I will crunch some figures. We started 1994–95 setting our budget figures at $39.7 billion. That was to be the deficit. By 1996–97 the figure is being set at around $24.3 billion. That is a $15.4 billion cut over two years. We know we are adding to the accumulated public debt which is also costing us.

[*Translation*]

Mr. Michel Guimond (Beauport—Montmorency—Orléans, BQ): Madam Speaker, first of all, I am delighted with this opportunity to speak to the amendment moved by the hon. member for Saint–Hyacinthe—Bagot.

Since we first came to the House of Commons on October 25, 1993, you have come to recognize the spirited style of the hon. member for Saint–Hyacinthe—Bagot. Although style is not necessarily a guarantee of competence, I think the hon. member for Saint–Hyacinthe—Bagot passes the test. He is both spirited and competent, and I want to commend him on the way he defends the interests of our party and the interests of Quebec.

• (1235)

This motion, and I will read it quickly, says that the hon. member moved, seconded by the hon. member for Châteauguay,

> That the motion be amended by deleting all the words after the word "That" and substituting the following therefor:
>
> "Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, be not now read a second time but that it be read a second time this day six months hence."

I must say that I do not claim to be as competent as the hon. member for Saint–Hyacinthe—Bagot in this particular area, so I asked him to explain the purpose of this amendment. For the benefit of our listeners, not necessarily in this House but outside the House, I would say that the purpose of this amendment is to let the Minister of Finance go back to the drawing board, to ask him to go back and do his homework.

I have a 16–year old son in high school, and when he shows my wife and me some work that is not up to par, we tell him to go back and do his homework. That is the purpose of the amendment: to ask the Minister of Finance to go back and do his homework.

Why? Because there are a number of questions worth asking Canadians and Quebecers who are listening. Is this budget realistic when fails to mention $6.6 billion in unpaid taxes which are not recovered? Is this budget realistic when it is so reluctant to tax Canada's big corporations? According to the statistics, between 62,000 and 70,000 companies in Canada make a profit and do not pay a cent in taxes. Is that normal? Should a democratic society like ours accept this double standard, when the middle class and the poor are getting poorer and the rich and the big corporations get richer at their expense?

Is this normal? Is this acceptable from a social point of view? I am convinced that all these people who are having lunch in their kitchens, every time they get the mail and see their bills piling up and interest rates go up, all these people wonder whether they will be able to afford a new car two or three years from now. Will this young couple be able to afford a house two or three years from now, a roof over their heads? Will they be doomed to live in poverty? Will our prospects seem better two or three years from now, or are we going to go back into a recession? These are considerations that this legislation totally ignores.

Something else. Are these tax loopholes normal? Is it normal to see millionaires who do not pay taxes and, in some cases, draw unemployment insurance benefits? That takes some doing. In any case, on the Île d'Orléans and the Beaupré flats, people say: "C'est le bout", which means adding insult to injury.

Family trusts. When he brought down his budget on February 27, the Minister of Finance announced that the family trust system would be abolished. He forgot to point out it would be abolished in 1999.

This means, if I am a very rich family that has a family trust, I have until 1999 to adjust to the new rules and to find other tax loopholes, other investment vehicles so that I can continue to shelter these amounts. So the question is whether all this, whether this budget is normal, acceptable and realistic in the Canada and Quebec of 1995.

• (1240)

When I go back to my riding on Fridays and on the weekends, people often stop me at the corner store or at the shopping centre to tell me that it did not hurt as much as they expected. This may be true, but we have to look beyond the words to see how vicious the budget was. I tell these people to wait for the Quebec government to bring down its own budget to see how the federal budget will affect them.

And if I was talking to the people of Ontario, I would tell them to wait and see what kind of problems the Ontario government will have. The budget includes a decentralizing measure whose only aim is to offload part of the deficit onto the provinces and make them pay for something else. We will see how much Ontario and Quebec have been affected, when they bring down their budgets. The finance ministers of the two provinces have already mentioned this, in any case.

It is almost a truism to say that the real budget promised this year will be carried over to next year, once again. Why is the federal government waiting until next year, we might ask? Is it expecting the Quebec referendum to be held in May or June and therefore putting off the offensive cuts in health care, education and social assistance until afterward? I ask you. Is this not the case?

The Minister of Intergovernmental Affairs, however, promised the introduction of flexible federalism. Is this flexible federalism? Now we have a real idea of the cost of the status quo and of a no vote in the upcoming referendum.

Coming back to transportation, which is the field with which, as my party's critic, I am most familiar. I said, in reaction to this budget, that the federal government had decided to hold a garage sale with Transport Canada. Why would I say such a thing?

I said it because the Martin budget announced program review cuts of $1.1 billion, or 50.8 per cent of expenditures between 1995 and 1998. If we include the cuts from the preceding budget, Department of Transport spending will be reduced by $1.4 billion between 1994 and 1998. In fact, the measures in the Martin budget will allow the government to save $2.6 billion in the Department of Transport over three years as a result of the program review.

We should look at what makes us think that the government is getting out of transportation. Well, there are the moves to privatize announced in this budget, the planned commercialization of the air navigation system. First of all, let us be clear that most of the employees affected by rationalization in the government will be transferred to the private sector. A non–profit corporation will be set up, looking after the 5,800 employees now working for the air navigation system.

I would remind the hon. members that our party is not necessarily opposed in principle to the creation of a non–profit corporation in the move to commercialize the air navigation service. However, I and my party still have questions about this plan that we would like answered. Among other things, what would be the value of the assets transferred and what would the transfer cost? Before giving our full blessing, we will need answers to the questions that we will be asking at the appropriate time.

The second sector in which the government has announced plans to privatize is Canadian National. It will be recalled that the report of the government group, composed entirely of Liberal members—no members of the official opposition or the Reform Party were included—recommended that before CN could be put up for sale, its debt should be reduced, its profits increased and the network rationalized, among other things.

• (1245)

Again, it should be pointed out that CP's offer to buy CN for $1.4 billion was totally unacceptable. This point was debated, and we had the opportunity to agree with the government that offering $1.4 billion for CN's assets was totally unacceptable. We do agree on that.

It remains to be seen, however, how much CN's privatization will actually bring in. Let us not forget that CN is the property of Canadian and Quebec taxpayers. So, it should not be sold at bargain price to friends of the regime or those who make donations to the Liberal campaign fund. In that regard, the official opposition will play its role as a watchdog, to see if CN's purchase price reflects its true value.

The Bloc Quebecois is now the only party defending the rights of the workers, including the right to strike in Canada, as evidenced by the NDP's failure to show up last weekend, when special legislation was passed to force resumption of operations in the railway industry. So, we will have to make sure that the rights of CN workers are not trampled in the privatization process, that their rights will be maintained. We will certainly get to talk about this issue again.

Also contemplated in this budget as part of the privatization effort is the commercialization of operations under the national airports policy. A task force was appointed by the Government of Quebec to provide assistance to those municipalities and local groups who wish to undertake negotiations with Ottawa on this subject.

I would like to take this opportunity to congratulate Quebec's labour minister, Jacques Léonard, on taking a very worthwhile initiative in support of municipalities which may be facing airport privatization or even closure, because the problem has not been resolved. Considering that the airport in Sept–Îles lost $1.9 million and the one in Baie–Comeau, $1.2 million, while in Val–d'Or the airport is also running on a deficit, we have to ask ourselves if municipal taxpayers will be able to absorb these deficits?

It is important to bear in mind, when the federal government invests in our regions, these funds are not gifts to us. As a matter of fact, it is our money because, as far as I know, Sept–Îles residents receiving services from the federal government which is building an airport pay federal taxes through automatic payroll deductions or, in the case of professionals, make tax payments, so they are entitled to receive services from the federal government.

A fourth target for privatization in this budget is the motor vehicle testing centre in Blainville, which should remain in the hands of the government but whose operation will be handed over to the private sector in the course of this year. Negotiations are apparently under way. On this particular subject, we reserve comment as we have received information regarding some goings–on that are not very—I do not want to make a religious comment, but my colleague from Chicoutimi is suggesting that I should say not very kosher.

It is true that, like the hon. member, I come from the Saguenay. There seem to be some dubious goings–on with regard to this operation, but I cannot go any further because I want to save this for questioning the Minister of Transport in due course.

This budget provides for the revocation of the Western Grain Transportation Act and the elimination of a $560 million subsidy. This subsidy created, once again, a double standard in Canada, especially in the railway sector.

• (1250)

We realized that in the railway sector—and this comment does not apply only to Quebec—, there are two different criteria to determine the profitability of rail lines in Canada: everything east of Winnipeg had to be profitable in order to survive and continue operating, while everything west of Winnipeg was considered to be a subsidized service. This in turn led to some very strange things. They even discovered that some trainloads of grain were shipped to Vancouver via the port in Thunder Bay just to qualify for the subsidy.

I remember when we were kids and we used to play Monopoly. After going around the board, we would pass "Go" and claim $200 before continuing to circle around. This truly reminds me of a game of Monopoly.

By eliminating this subsidy, the government will put an end to this game of Monopoly. We would like to be supportive and say that this is a good measure, but there is always an unfortunate aspect. In this case, it is the fact that the budget provides compensation—and I hope that farmers of Île d'Orléans and the Beaupré shore will not choke when they hear this—to the tune of $2.9 billion to western agricultural producers.

Mr. Loubier: Untaxed.

Mr. Guimond: Untaxed, the hon. member for Saint–Hyacinthe—Bagot just pointed out.

We have to ask ourselves whether it is normal or acceptable, in 1995, for a democratic society to implement such provisions. This is why westerners have not been too vocal. They do not complain too much about the fact that the Western Grain Transportation Act will be repealed, because they know that they will get $2.9 billion in compensation.

I say to Quebec agricultural producers: "Put on a smile, the federal taxes you pay will help your competition". These subsidies will help western producers to change their production, and who is to say that they will not replace their grain production with meat, poultry or dairy products. And they will do it all with your federal taxes. This is incredible.

The bill also repeals the Atlantic Region Freight Assistance Act. Subsidies totalling some $99 million, and perhaps as much as $108 million, depending which of the two figures I have is accurate, are provided for the region located east of an imaginary line called the Jackman line, in the Beauce region, including the Gaspé peninsula and all of Atlantic Canada. Again, we are talking about subsidies totalling some $100 million.

This program will be eliminated. As a transitory measure, the budget provides for a five year, $326 million transportation adjustment program. Bloc Quebecois members representing eastern Quebec will probably express their views on this issue, since their region will be eligible for the moneys which will be made available to either improve the highway system or support programs for secondary or tertiary processing.

In any case, I represent the riding of Beauport—Montmorency—Orléans and I am not directly concerned by this issue. However, I think that the residents of eastern Quebec, the lower St. Lawrence region, the Gaspé peninsula and the riding of Bellechasse are in a good position to know how this adjustment fund could be used.

I did meet business owners from that region who told me that, sometimes, this subsidy was ineffective—

The Acting Speaker (Mrs. Maheu): I am sorry to interrupt the hon. member, but the period for debate is over. We now move on to questions and comments.

Since there are no questions, we resume debate. The hon. member for Egmont.

[*English*]

Mr. Joe McGuire (Egmont, Lib.): Madam Speaker, I will be sharing my time with the hon. member for Algoma. I am happy to have the opportunity to speak in support of Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27.

• (1255)

I speak in support of the bill. I commend the Minister of Finance for the excellent job he has done in developing a budget that has been embraced by an overwhelming majority of Canadian people and international money markets.

On the one hand there have been complaints, as we heard from the Bloc Quebecois, that the minister went too far. On the other hand the consensus of the Reform Party is that we did not go far enough. However, the general consensus of Canadians is that the budget was a reasonable and fair effort to address the problems faced by the nation.

The people of Canada indicated very loudly and clearly that they wanted the minister to move decisively to address the problems of the debt and the deficit. They wanted to see a definitive plan by which the country could be moving toward a balanced budget and beyond to a surplus budget. Canadians also indicated that they did not want any increases in personal income tax, and there was none.

I am happy to say that the fundamental thrust of the budget addresses in a fair, equitable and balanced fashion the demands of the Canadian people. The budget responds to the need to put Canada's fiscal house in order. Granted, there will be some pain but I believe that the burden of deficit reduction has been distributed fairly. The confidence of the Canadian people is being restored as they realize spending is tightening up and that they will be getting better value for their tax dollar.

Many of the provisions in the budget have already been dealt with. Those remaining are being handled today with Bill C–76. However the message is clear and the message is consistent. The government is getting its own house in order. It is downsizing. It is focusing on cutting expenditures and not on raising taxes.

The targets set by the Minister of Finance indicate that we are moving toward the much desired position of a balanced budget. It is reassuring that we are moving in this direction in a fair and humane fashion. We must never lose sight of the fact, though, that some parts of the country are not as economically advantaged as others.

The principles upon which the country was founded require that the federal government maintain a program of redistribution of wealth so that no Canadian should have to endure diminished social security simply because he or she lives in one province as opposed to another. One of the main standards by which we are measured against other countries is the degree of caring and compassion we show to one another. Less fortunate Canadians must be protected.

I realize the system of federal transfers must be reformed. It must become more efficient, more effective and more sustainable. Without this kind of change our capacity to fund would be seriously constrained, maybe even terminated. Some critics say that the proposed changes which consolidate the EPF and CAP into the Canadian social transfer put some social programs at risk. I suggest that without a sustained effort to address our deficit and debt problem the same social programs will be put at even greater risk.

However, in my province of Prince Edward Island there is considerable concern about the possible effects of the new CST. I am sure the Minister of Finance understands that the fact a province has more flexibility and more capacity to be innovative is of minimal value if the resources, the dollars, are not available to work with.

When the minister is negotiating with the provinces I am sure he will keep this in mind. Though the budget document indicates that national standards especially under the Canada Health Act will be maintained, there is still concern in economically disadvantaged areas that there could be some difficulties encountered. It is encouraging that included in the process of change is a commitment to a co–operative approach whereby a new federal–provincial fiscal relationship will be established.

One area about which Canadians were quite vocal was taxation. They wanted no increase in personal income taxes, and there was none. They wanted no changes to RRSPs, and there was virtually none. They wanted health and dental plans left alone, and they were left alone. They wanted big business to pay a fairer share. This has happened with increased taxes on large corporations, a surtax on corporate profits, and a tax on deposit taking institutions.

The public got hit with a small tax it did not particularly want, but I have not heard many complaints about it. That was the 1.5 cent per litre tax on gasoline.

• (1300)

Overall, for every $1 in new revenue the government cuts $7 in spending. That ratio is a fair and balanced way to approach our deficit and debt problem. It is also reflective of the sentiments of the vast majority of the Canadian people.

One of the areas of budget cuts that did impact negatively on P.E.I. involved the transportation subsidies. The cuts to the freight subsidies will be supplemented for a number of years with transitional funding in the amount of $326 million. There were cuts to the dairy industry. The dairy people did expect some cuts there, especially when they saw the Western Grain Transportation Act being abolished.

One thing not counted on in the budget was the hit from Human Resources Development Canada whereby the farmers will suffer the loss in the agriculture employment program. Hopefully over the next few weeks we can develop a program which will ease the burden on the farmers as they ease out of this well used program.

Atlantic Canada is sharing in the pain of deficit reduction. Two items in the budget which had relatively cosmetic treatment, which would seem to be due for major surgery over the next year, are seniors benefits and UI. I am pleased the government is renewing its commitment to seniors so they will have a system of protection that is fair and reliable.

In order to do that the CPP, OAS and GIS must be sustainable. In making the changes that will make it sustainable I asked the Minister of Finance to keep in mind concerns such as those expressed by John G. Bates of Etobicoke. He said:

> I'd gladly trade all the benefits that I'm supposed to be getting as a senior for a return to a level playing field for those over and under age 65. —return my right to work beyond age 65—allow me to be eligible for employer paid health and dental plans—allow me to get tax breaks allowed others through RRSPs and work related deductions and credits.
>
> Discrimination because of advancing age is the last bastion of the bigot.

I would caution the Minister of Finance and the Minister of Human Resources Development that frequent UI users are not automatically abusers. In my riding the main industries are fisheries, agriculture, tourism and forestry. They are all seasonal. Workers in these industries are needed every year. Some of them cannot simply be retrained or shipped out to higher employment areas.

I want to use a quote from the columnist Peter H. Nicol in the *Ottawa–Carleton Review*:

> The most significant word to come out of the federal budget speech is the word change. Not the millions of dollars slashed here, the millions of dollars promised there, numbers which are virtually meaningless to those of us who can't balance our cheque books. The word change was the crux of the matter, for it was the first indication that the federal government was prepared to face an issue that the public had been aware of for some time; that is to say that if Canada is going to survive in either the financial or political sense we must make fundamental changes both in our political structures and in our personal lives.

The change the Minister of Finance talked about was not so much in terms of dollars, although they will play a role, but more in the philosophy of government. The minister asked what role the government should play in the lives of the people of the country and the answer he received was less.

Paternalistic government seems to becoming a thing of the past with the government once again becoming a tool instead of a solution. That is no bad thing.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Madam Speaker, I listened carefully to the hon. member's speech. He started off by saying that one of the objectives of this budget was to put the government's fiscal house in order, in a way that is fair and equitable.

I wonder what he means by fair. Does he realize who is going to bear the brunt of all these budget cuts? The provinces, which will be stuck with billions of dollars they will have to raise themselves.

• (1305)

Young people will be affected by cuts in a number of employment programs and in the money required for post–secondary education. Cuts will also affect the public service, but only the base, not the higher–ups in their ivory towers, with the biggest paychecks and the biggest expense accounts. This morning we heard about the trips these officials make. Not the people who work at the bottom but those who are up there in their ivory towers in each department, the generals who are chauffeured around in their limos. They are not affected by the budget.

I am also thinking of farmers. The hon. member said a few words about them in his speech. Yes, farmers will be affected by cuts to employment and other programs.

I am also thinking of the unemployed. This has almost become a dirty word to members opposite, because to them, the unemployed are just a lazy bunch of beer drinkers. Since last week, they are cheaters as well, and an army of public servants has been recruited to try and recover negligible amounts, while we do not even bother to recover $6.6 billion in taxes outstanding. Most of this amount is owed by large corporations.

When the hon. member talks about everything being fair and equitable, I wonder at whose expense. What is so equitable about it, if everybody can use family trusts and tax loopholes to shelter their money?

Not once did the hon. member mention job creation. What job creation programs has this budget proposed, especially for young people?

[*English*]

Mr. McGuire: Madam Speaker, I thank the member for his question.

As we read the newspapers over this past month and a half we saw provincial government after provincial government, New Brunswick, British Columbia, Alberta, Saskatchewan and probably tomorrow Prince Edward Island, coming in with balanced budgets.

The hon. member says we are offloading to the provinces. Is it fair for the provinces to expect the federal government to subsidize the provincial balanced budgets and not address our own budget problems? If he answered that honestly he would say no. We have a major budget problem, not only an accumulated debt but in our annual deficits.

We see provinces balancing their budgets. We know most of the provinces receive transfer payments of one sort or another. They are looking very good in front of their people and getting all kinds of support and applause for doing so. A lot of the money to those provincial governments is coming from the federal government.

I do not think any fair minded provincial premier would say we should not address our budget deficits at all; that we should continue sending money to the provinces and to individuals that we do not have and have to borrow year after year.

Mr. Brent St. Denis (Algoma, Lib.): Madam Speaker, I am pleased to follow my colleague, the member for Egmont, in participating in the debate on our most recent federal budget, a budget which speaks to a whole new attitude toward governance, a new attitude by the people of Canada because they see good leadership.

• (1310)

After many years, finally again they are seeing good leadership in their government; the kind of leadership that breeds confidence. Even though Canadians are having to accept a share in the national effort to reduce our annual deficit and ultimately the debt, they recognize it is a small price for putting the country back on track.

Some of our critics take issue with jobs and say we have not addressed that. Fundamentally the budget is about jobs. We cannot properly take our place on the world stage if our financial house is not in order.

When our finance minister was faced with the challenge of creating a budget, he had to deal with the view of our nation from outside and from within its borders. The view from outside

was we had to deal specifically with the problem of our deficit and debt. If we did not we would pay the price over the short, middle and long run with higher interest rates, more instability with respect to exchange rates, more uncertainty with respect to inflation.

The international marketplace, whether we like it or not, does influence the domestic marketplace. Our finance minister—great credit due to him—has found that delicate balancing point between dealing with the need of the international marketplace to have confidence in the future of our economy while at the same time respecting the need of individual Canadians and their communities to have confidence in their government, to know their federal government is there standing behind them even though we have had to take difficult measures at this time.

No doubt we face more challenging budgets in the years ahead. I can refer to a recent Angus Reid poll that indicated some two–thirds of Canadians who were polled support the budget.

They have concerns. My constituents of Algoma are like other Canadians. They support the budget but they know they will feel the effects one way or another. The budget was fair because Canadians will feel it but they will also know and feel those efforts are worth the trouble.

Our finance minister in finding that balance has created a situation in which the cuts are as evenly spread across the country as possible without hurting the most disadvantaged. As the member for Egmont emphasized, he did it without increasing personal income taxes. That is of great credit to him. He listened to Canadians. He listened to the finance committee, which held prebudget consultations last fall.

I am honoured to be a member of that committee. When we listened to Canadians last fall from all areas, they told us in no uncertain terms we have to do something with the deficit.

The absence of whining among the witnesses was remarkable. The absence of whining after the budget is remarkable. Canadians understand something had to be done. It is testimony to the quality of leadership that the budget met the objectives of the international community and the objectives of most Canadians.

The finance minister had to respect the traditions of the country. One of the most fundamental traditions is the network that is our social safety net. It is one of the features of our country that sets us apart in this world. It is one of the features of this country that makes us one of the most desirable nations in which to live.

• (1315)

All of us are aware the safety net is under review and we are expecting legislation later this year. The best way to secure the safety net is to have a strong and vibrant economy. The government and our finance minister have done just that.

I want to address some of the things my constituents will have to face. We have a transparent government. We consult with people and we share with them what needs to be done.

For some, their deepest worries are about pensions. They need not worry because the minister has done nothing to create concern in that area. In fact, he virtually has not touched the whole issue of RRSPs.

My constituents will have to share with Canadians everywhere as we cut expenditures. Some of those areas include the string of several dozens of small craft harbours in my riding of Algoma in northern Ontario. These are small recreational harbours and some not so small. They have developed over the last 20 or so years in support of tourism in the marine industry.

This government is not throwing out the baby with the bath water. What this government is saying to the provinces and in my case to the local governments: "Work with us, let us find a way to continue these local facilities. Let us do it in a way that gives you more local control over these facilities".

I have spoken to a number of municipal leaders in my riding. The response has been very positive to this government's initiative to say: "Let us partner with you. Let us preserve these facilities. Let us work with you so the local governments can take these over and manage them themselves, instead of having management from Toronto, Ottawa or elsewhere".

Many of my constituents had concerns about the federal RRAP program, which is a CMHC program that assists lower income people with needed home repairs. To the credit of this government the program has not been cut. I want to assure my constituents in that regard. The funding for the rural residential assistance program which was committed in the 1993 campaign is still there. Unfortunately there was a large backlog created in that program because the previous government cut the program. Now many people are lined up who need important work done on their homes so they can safely and healthily live in them.

There is a federal mining research laboratory in Elliot Lake. It is a CANMET lab. Likewise with this lab, the federal government did not say: "We are closing the doors. This laboratory has to be closed because the mining industry in the community is on the verge of total closure". Instead, the federal government has said to the community: "Let us partner. Let us find a way to attract other research into this facility so we can make a more viable research effort in this community. Let us partner with the province; let us partner with the private sector and others to create a viable situation for mine related research and other kinds of research in this community".

The government did not take the old hatchet to programs like we have seen previous governments do, when they had the nerve to even try. When they did do it, it was done without thinking. This government did not and does not do that. A tremendous

amount of forethought has gone into the planning of the required adjustments needed to the finances of this country.

• (1320)

The budget sets us on the road. It is a complement to last year's budget which I believe will lead to a balanced budget in a few years time. It will cause investment, jobs and all the other fruits of economic growth and strength this country and the people of Canada deserve.

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Madam Speaker, I congratulate you on your splendid work in the chair. I listened attentively to my colleague and was surprised by his statement that Canadians across the country expressed confidence in this budget.

I am sure my colleague has not visited Quebec in a very long time, because he would have heard for himself what Quebecers think of the budget. It is easy, of course, to say that we will all have to make small sacrifices, but, it will be those already most disadvantaged, such as the seniors, who will be making most of them.

You know, in a region such as mine, the Saguenay—Lac Saint–Jean region, where unemployment is very high, young people are forced to go elsewhere just to try to find work—unsuccessfully. When we see this happening in pretty well all the regions of Canada and cuts being made to transfers to the provinces, we have to assume that the government does not care about educating young people.

My question concerns these transfers. Does my colleague realize that most of the budget cuts to transfer payments for health care and post–secondary education will be made in 1996, 1997 and 1998? This year's cuts, even though they will hurt, will be smaller than the ones in the years to come.

What is the government's strategy here? Instead of creating jobs, it is pursuing a strategy of showing Quebecers that federalism is effective, which is not true. It is trying to delay the effects of the budget until as long as possible after the referendum.

[*English*]

Mr. St. Denis: Madam Speaker, I thank the hon. member for Chicoutimi for his comments and question.

I visit Quebec often. When I am in Ottawa I live in Quebec. That should put his concern in that area to rest.

Mr. Fillion: Where?

Mr. St. Denis: Near Wakefield in the beautiful Gatineau hills.

The hon. member talked about the transfers and what the federal government is allegedly doing to impair the ability of the provinces to do their job. To spend $63 million and counting on a referendum campaign is not exactly the wisest use of money. I submit to him that Quebecers would like the provincial government to focus its attention on economic issues and not so much on the sovereignty campaign. His message and his question should more fairly be put to his provincial counterparts but nonetheless, I will answer his question.

• (1325)

The strategy is quite transparent. Through the proposed CST, the Canadian social transfer, it is proposed through block funding to give the provinces more jurisdiction over health, post–secondary education and social services within a framework of some form of national standards to be agreed on with the provinces.

There is a strategy. It is transparent. It is obvious. I submit that the member for Chicoutimi should really discuss this with his provincial colleagues.

Mr. Chuck Strahl (Fraser Valley East, Ref.): Madam Speaker, in rising to speak to Bill C–76, the budget implementation act, I want to make it clear from the outset that the Reform Party will oppose this bill as a whole.

This bill in some ways is like Bill C–68, the gun control legislation in that it is a bill with more than one part. Some of it is wholly unacceptable, but other parts with some minor changes would be acceptable to the Reform Party of Canada and to me.

Reform currently has a motion before the House to separate the gun control bill into two parts so that we could examine each main idea on its own merits. I wish we could do that with this bill as well. Bill C–76 is an omnibus bill dealing with more than one subject at once. There are public service issues. There are transportation and federal–provincial transfer issues and so on.

Since I am fortunate enough to be critic for renewal in the public service, we have examined the areas which deal with the public service. I have found some things I like and some things I do not like one bit. I am here to say what we like and what we do not like about the public service portion of this bill. I want to expose some very serious shortcomings indeed.

I want to go through the first 10 clauses of the bill. I will give my comments on each of the important clauses and then draw some conclusions from what we have found.

Section 39 of the Public Service Employment Act allows public servants who work in a minister's office for more than three years to bump other public servants, to be appointed in essence without competition. This is unfair in some cases. I am pleased to report that public servants declared surplus will not

be able to be bumped by the staff of the ministers. Those declared surplus in this act will move to the top of the priority list for job offers. That is a fair and reasonable thing to do.

I have been disturbed by other parts of the act. Allow me to quote from a letter written by the President of the Treasury Board to the Professional Institute of the Public Service last July. He was writing about the work force adjustment directive which is an umbrella agreement between Treasury Board and the unions that represent indeterminate or regular full time employees of the Government of Canada.

Members opposite should listen very closely to what the President of the Treasury Board wrote on July 22, 1994: "This government has stated in the past and remains committed to the principle that the employment protection provisions in the work force adjustment directive will only be changed through negotiations".

To me this promise does not speak of unilateral action; it speaks of a process of consensus. What is the main purpose of the first 10 clauses of Bill C–76? The main object is to break a promise. This bill unilaterally without negotiation changes the provisions of the directive.

The government tried to negotiate. It took a long time but not all unions would agree to change the directive. Therefore the government went ahead and broke its promise. Why is this little broken promise so important? I will be glad to tell you why this is so important and every public servant in the federal government should be listening right now.

The government made all sorts of promises during the last election campaign. The Ottawa *Citizen* reported a few days ago the contents of a brochure sent out during the campaign under the name of a man who today is the minister for renewal in the public service.

The brochure read: "Public servants, enough is enough. The Conservatives have used public servants as scapegoats and treated them with contempt. I pledge to protect public servants against job loss". He is the minister who is sitting in the House now. That is another wonderful promise from the government, but today that promise lies in shreds along with 45,000 public service jobs.

• (1330)

It is ironic that the Liberals in the last election campaign tried to stir up fear among the public servants about what the Reform Party might do to their job security in the days ahead. Many of them put their trust in the Liberal Party, hoping that nothing would be changed, that the words of the minister would hold true. The Liberals were happy, of course, to promise the moon as long as they could get the public service vote.

The President of the Treasury Board was happy to promise that the workforce adjustment directive would only be changed through negotiation. It was easy to promise that. If he was not sure he could deliver on that promise, he never should have made it in the first place. All public servants should beware Liberal promises. They have proven today with this bill that their promises are not worth the paper on which they are written.

As the financial situation of the government becomes more and more serious, more and more promises will have to be broken. In just two years the interest alone on the national debt will be $51 billion. Total program spending will be barely double that, just $108 billion. Social programs and the public service will be reduced to a shell because the Liberal government feels free to make promises but does not intend to lay the fiscal groundwork in order to be able to keep them.

This bears repeating. The threat to social programs and the threat to our public service does not come from fiscally conservative people such as myself. The threat to the public service and social programs comes from people who will not and do not have a plan to balance the budget and bring the deficit to zero. That is where the threat comes from and the budget does not address that.

Further to this concern, I want to say a word about fiscal responsibility. I received an anonymous letter today from a public servant who talks about the air navigation system of the Department of Transport. There are 6,600 employees in this part of the department and the public servant alleges in this letter: "Transport Canada employees expect to be terminated with full severance and cash out packages and immediately be offered the same jobs in a new commercialized air navigation services organization with no interruption. Some retiring people can be expected to be hired back on contract as they are now". That would be a real travesty.

We need assurances from the minister that this will not happen, that it will not be allowed to happen. The public servant who wrote this letter suggests that this boondoggle could cost the taxpayer in excess of $200 million.

We in the Reform Party of Canada will watch the Liberals. We will hold their feet to the fire to make sure that they are not going to merely transfer from the public service an equally expensive and maybe even a more expensive contracted service in another sector, just for the sake of saying they met a bottom line on the job count. That is something that must be watched because the key is fiscal responsibility and economic savings to the government. If it cannot show that, if it cannot prove that, then it should not be axing the jobs to begin with.

With tongue firmly in cheek, I would suggest perhaps that the Reform Party is not as sophisticated as the Liberal Party. The Reform Party sticks to the economic, bald faced facts and offers the unvarnished truth. It is not prepared to promise the world to the public service or to anyone else. Reformers are willing to face the situation as it is and be responsible with taxpayers' dollars. All we promise to do is to act immediately to preserve

what remains of our social programs and what remains of our public service over the long run.

Reform promised the opposite of the Liberals in the last campaign. We promised a smaller government. We promised spending cutbacks. Ironically, the cutbacks that the public service has experienced since the Liberals took power are already and will be in the long run far, far more than what the Reform Party promised under our zero in three plan of the last election.

If Reform had been elected government, the public service cutbacks would have been accomplished a year ago. We would be within one year of balancing our budget. All the worse would be behind us. Interest rates would be lower. Our economy would be growing by leaps and bounds. We would be in a good position to keep our most valuable social programs and the core of our civil service permanently intact. Because of Liberal inaction and because it took 18 months to get the first serious budget on to the table, all public servants will continue to suffer year after year. The government will continue to whittle away at the public service until it is reduced to a shell and no negotiated settlements, no agreements, no three–year suspensions, no promises will mean anything when that happens.

• (1335)

The government has set itself up for another promise. It has only suspended the workforce adjustment directive for three years. Conveniently, this is just beyond the next election. We know what kind of a carrot the government will dangle in front of public servants at that time, don't we?

The government will be expansive. It will be benevolent. During the next election campaign, if the economy is still doing well, it will play to the public service vote. It will promise that the freeze is almost over and the workforce adjustment directive will return. Trust us again, government members will say. However, if the economy is doing poorly the government will play to the taxpayer. It will say that it had to suspend the workforce adjustment directive.

No matter what is done, the government plays to the audience of the day. It is enough to make one a permanent political cynic watching the government flip–flop on its promises.

Public servants will remember the President of the Treasury Board when they are declared surplus under the authority of the bill. They will remember the minister for renewal in the public service and his boastful words during the election campaign. He said: "Public servants, enough is enough. I pledge to protect public servants against job loss". That is a good promise. However, 45,000 jobs later it is a pretty empty promise. He knew it at the time. Yet government members continued to make the promise during the election campaign, knowing full well that when they were on the government side of the House they would not be kept.

I will address another subject, term employees. The incentives, job offers, notice periods and other things which are offered under this bill do not apply to term employees, as opposed to indeterminate or permanent employees. Term employees have no status whatsoever under the workforce adjustment directive. Some of them have worked in government for years, but they have no status.

The 45,000 positions spoken of in the budget are all indeterminate positions. That could mean, for example, that the 24,000 term employees could be laid off at any time, in addition to the 45,000, with absolutely no incentive programs, no retirement packages, no appeal, nothing. I call on the government to treat term employees with fairness and not to lay them off in order to be able to afford more handsome payoffs for some of their own friends in the system.

My concern is with clause 3 of the bill. It lays out a plan for public servants. It empowers the cabinet to offer an early departure incentive and then it gives public servants a choice. They will have 60 days to choose whether to take the offer and go, or to refuse the offer, sit tight and hope for another job. They will remain on staff for a period of six months and then move on to unpaid surplus status for an additional 18 months. If there is no job offer after 18 months, they can be laid off.

The minister's officials have already admitted that a lot of jobs are going to be declared surplus. There will not necessarily be work for the surplus public servant to do when his or her job disappears. Yet under the bill the surplus worker will receive six months' pay regardless, in some cases for doing nothing at all.

All members of the House will remember that the President of the Treasury Board promised just a few weeks ago that no employee would be paid if he or she was not working. This was a fundamental, unbreakable, unshakeable promise on behalf of the President of the Treasury Board; that no one would be paid if there was no work to be done. Yet like so many other promises, this one too has been laid aside by this bill.

I would like to move on to clause 9 of the bill which mandates a change to the Financial Administration Act. Section 7 deals with the delegation of authority. I have real accountability concerns on this one because it says that Treasury Board may authorize any person who is part of the public service of Canada to perform functions or powers that it is able to delegate. That clause reads differently in the Financial Administration Act. The way it currently reads is actually safer, it is more restrictive. It says that anyone authorized under the Treasury Board may under the current regulations "authorize one or more persons under his jurisdiction to exercise or perform any such power or function".

• (1340)

It may be a small thing but it is a dangerous concept. No longer do we have separate jurisdictions. We collapse them all into one. It is a dangerous dilution of accountability and an unwise splitting of ministerial authority.

A deputy minister of Environment Canada could delegate some of his power to an official from National Defence. To which minister would the civil servants then be accountable? In the case of conflict whose orders do they follow? Both ministers would have a valid claim on their services and their actions and indeed both ministers could be held accountable for what they did.

In the end what would happen is a public servant would do something wrong and one minister could say it was really not his department, it was the other minister's department and vice versa, back and forth. Any accountability will be lost. This is a move in the wrong direction.

In the end no one would be accountable for the actions of that type of public servant. I sincerely hope that this clause will never see the light of day. I hope our members will be able to address it more fully in committee.

I want to dwell on clause 8 which gives tremendous power to the Public Service Commission, a power which should not be given to it. I want to talk about the competitive process of job applications for a moment.

Western democracies have always depended on checks and balances. This is born out of a basic mistrust of government, I think a valid mistrust of government. It is an attitude which says: "We think you are doing okay right now, but we don't know what you would do if the checks and balances were not in place". That is why we have opposition parties in the House of Commons. That is why we have opposition parties in committees and so on. It is in order to scrutinize the actions of the government.

Checks and balances are very important. They are vital for the health of a western democracy. When we see that an opposition party, for example, in some third world country is getting mistreated by the government we see that democracy, and that country in general, is in trouble. There are checks and balances right through our system.

One check against nepotism, bribery and other forms of corruption in government is the competitive process. This means that people get jobs through merit and not because they are someone's friend. That process is open to scrutiny. It is fair. It means that we get the best person for the job.

The selection process within the federal government is really quite fair. All the checks and balances are in place to make sure nepotism does not take place.

That is why I feel such concern when I read clause 8 of Bill C–76. We are in a period of flux right now, a flurry of activity, where the departments are downsizing and there is a certain amount of chaos in a big reorganization of government. During this time there is a chance that the vigilance and the controls are not going to be as strong as they have been in the past and as they usually are.

Clause 8 empowers the Public Service Commission during this chaotic and stormy time to appoint an employee without competition to another position within the jurisdiction of the deputy head for which in the opinion of the commission the employee is qualified. This is a dangerous departure from the merit principle.

Reformers believe that a system of checks and balances is the only way to ensure that corruption is weeded out of the system, and the competitive process is the check on the public service that is missing under this clause of the bill.

All sorts of irrelevant qualifications could be used here, anything from "I'm a good friend of the decision maker", to "I'm a relative of somebody else you know", to the pressure that sometimes can be imposed from the outside. That departure from the merit principle is a serious departure that public servants should be very alarmed about. At any rate, people can be appointed without consideration of merit using this clause.

• (1345)

I agree with the idea the commissioner should be able to appoint surplus people to different departments. However, again the merit principle in the competition should continue in that process.

If merit does not need to be a factor in this clause and if the competitive process can fall by the wayside without a backward glance in this clause, the government can use it for other purposes as well. Even under the current regulations of the Public Service Employment Act there is already in place a system under the employment equity plan by which a member of an employment equity group can be appointed to a position in accordance with an employment equity program excluding merit, discrimination and geographic area with no right of appeal. That is a serious departure from the merit principle and something the government should not be delving into. I rest my case.

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Madam Speaker, I did enjoy the hon. member Fraser Valley East's speech on the budget. However, I would like to ask him if he has given consideration to the fact the deficit and debt did not

happen overnight. It has accumulated over a period of time. With respect to the budget, we are taking a planned period of time to deal with it very prudently and efficiently.

When the hon. member says we have no plan, we did have a plan and we made promises according to the plan to reduce the deficit. That is the number one priority on Canadians' minds today.

If the member feels the budget is something he cannot vote for, as he has indicated, why was the budget presented a few weeks ago by the Reform Party so heartily rejected by all Canadians and this budget so readily accepted?

Mr. Strahl: Madam Speaker, I thank the hon. member for her intervention. It may be jumping to a conclusion to say the Reform Party's alternative budget was not well accepted. When I read editorial comments from the *Globe and Mail*, when I read the *Financial Post*, when I read comments from other people who have looked at the substance of our alternative budget, there is widespread acceptance that we must have a balanced budget. Although we may quibble about some details or some finer points, the essence of the argument remains sound that we must have a plan to balance the budget. The Liberal budget has no such plan. In the Liberal budget the hope is to get it down to 3 per cent of GDP, twenty billion or twenty–five billion dollars.

The irony of it is although they can say this may be kinder and gentler because they will not take as many steps as the Reform Party, in essence what they are saying is that with the cuts we see now, we ain't seen nothing yet. To get it from $20 billion down to zero, they will have to make significant, serious cuts.

The interest component of their budget is going from $38 billion to $51 billion in three short years. How can that be a good thing for the Canadian economy? How can that help to preserve social programs? How can that help to preserve the core of the public service? How can they hope to meet the legitimate needs and the legitimate concerns of the needy people when they are promising them that within three years they will spend an additional $13 billion on the interest component of the budget?

There is no compassion in a budget that says there is no plan to balance. The compassion lies in having a plan to balance. When it is balanced we can offer security of social programs, tax relief and some assurance about where we heading into the future. Unless they can offer that, Moody's and the rest of the economic fiscal world will say the budget the Liberals are presenting is not good enough.

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Madam Speaker, I wanted to ask my colleague two questions. How would my colleague explain the fact that Canadians generally and the business community in particular have been extremely supportive of the budget and have also supported the initiative of reducing the deficit at 3 per cent of GDP?

• (1350)

I heard some comments that were not supportive of the government's initiatives with respect to the civil service. Could my colleague tell the House what the Reform Party's options are in reducing the civil service?

Would it provide an early departure initiative, an early retirement initiative? Would it permit counselling? Would it provide other types of assistance such as working with communities for the creation of jobs?

If it is yes, how can he be critical? He should jump up and applaud.

Mr. Strahl: Madam Speaker, I thank the member for those questions. They allow me to clarify both the weakness of the Liberal budget and the soundness of the only alternate budget we have seen that will balance the budget in the short term to offer the security I am talking about in the long term.

What the budget does, to give credit, is signify a change in attitude in government spending. For the first time ever we see a government that has actually seen the light and has turned the corner. It has gone from what is a hopeless situation of increasing deficits to one of modest deficits.

The trouble is—this gets down to the security of the public service—there is no security in offering continued deficit budgets. What possible security is there when someone is loosing their house and not making their mortgage payment?

Why does one see cutbacks in health care transfers from the government? Why does one see cutbacks in welfare transfers? Why does one see cutbacks in training, cutbacks in the military, cutbacks of 45,000 in the public service? One sees it because the government cannot balance the budget. Until it can balance the budget there is no security in any of those programs.

When we brought forward our zero in three plan three years ago we proposed a cutback of 15 per cent in the public service because we were up front and honest. A cutback of 15 per cent would have been a cutback of around 30,000 or 35,000 public servants. We were up front about that.

The government went through the election promising no job losses by the minister of public service renewal. He promised something he could not deliver on. We would have had our program in place. The budget would be within one year of being balanced.

There would have been certainly a job loss of 35,000 public servants but already 45,000 public servants are laid off under the budget. We are not done yet. There will be more contracting out. There will be more private and not for profit agencies. There will be more initiatives by the government in years to come to

make sure public servants pay more than their adequate share of pain for the government's inability to balance the budget.

Come to grips with the fact that the best security one can offer the public service is a balanced budget soon so that there is not the continual whittling away year after year the security the public service deserves.

That is what is happening on that side by failing to address the debt and deficit problem.

[*Translation*]

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Madam Speaker, I would like to tell the Chair that I will be splitting my time with the hon. member for Cumberland—Colchester. On behalf of the constituents of Brome—Missisquoi, I would like to congratulate the Minister of Finance, who lives in my riding, for the courageous budget he tabled on February 27, 1995, five days after I was sworn in and became an official member of the House.

In the February 13 byelection, one of the mandates I was given was to ensure the good management of public finances. That is what we in the Liberal Party are currently doing. Canada is on the right track. We kept on having visions of a deficit out of control. We absolutely had to review the federal government's activities. The result was that we introduced a series of cuts, and I believe that the government made wise choices. The thousands of people I met during the election campaign told me that the government should trim the fat, not increase income taxes for individuals.

• (1355)

That was what it did in the budget. The support that people have given to the Minister of Finance's budget proves that Canadians want to eliminate the deficit as quickly as possible and that the remedies he is using are fair.

The Liberal government set realistic and firm objectives for itself during the election campaign, which we are now in the process of attaining. It is important to keep the momentum going. We will reduce the deficit to $32.7 billion in 1995–96 and then to $24.3 billion. By 1996–97, the deficit will have sunk to its lowest level since 1974–75.

The measures in the budget will fundamentally change the size and structure of the government machine. Program spending will be reduced from the level in last year's budget, $120 billion, to close to $108 billion in 1996–97. The size of government will be substantially reduced over the next three years. Compared to 1994–95 amounts, departmental budgets will be reduced by close to 19 per cent. The budgets of some departments will even be cut in half. All told, these measures will create savings of approximately $17 billion over three years. As a result of this vast reform of federal programs, 45,000 jobs in the public service will be cut over the next three years.

Of course, it would have been unreasonable to cut program spending without trimming the public service. We will never rid ourselves of the deficit unless we trim the fat in government and improve management and efficiency.

These are but a few of the specific measures in the 1995 budget allaying the concerns of my constituents and all Canadians. The role of regional organizations, for example the Federal Office of Regional Development—Quebec, will change, as they will be called on to help small and medium size businesses by means of loans and repayable contributions, not grants. My constituents will be happy to know that they will still be able to count on their MP and the federal government when it comes time to open up a small or medium size business.

The Speaker: The hon. member will have another chance to speak shortly after question period, he still has some time remaining. However, since it is 2 o'clock, we now proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

LAND MINES

Mr. Reg Alcock (Winnipeg South, Lib.): Mr. Speaker, I would like to join with the member for Brant in drawing to the House's attention the issue of land mines.

The International Red Cross estimates that every 15 minutes someone is killed or maimed by a land mine. Before question period ends today three more people will become innocent victims.

In our world there is no place for such indiscriminate, anti-personnel weapons. Every year some 10,000 people are killed by these devices and many more are injured. There are an estimated 65 million to 110 million uncleared land mines in the world and an additional 10 million to 30 million new land mines being produced every year.

I am proud to say that Canada does not take part in the deployment of these devices and that the government has endorsed the UN's convention on inhumane weapons.

I sincerely hope that during the United Nations review conference in June the government will strengthen Canada's position and place a complete moratorium on the deployment of these weapons.

Let us not forget that today's theatre of conflict is tomorrow's farmland or refugee camp. Innocent men, women and children

are dying. Since 1975 land mines have claimed an estimated one million victims, mostly in the developing world.

Let us help bring an end to this war on the world's poor.

* * *

[*Translation*]

BURUNDI

Mr. Bernard Deshaies (Abitibi, BQ): Mr. Speaker, although the situation in Burundi is getting critical, and ethnic massacres might start any day now, all the United Nations Security Council is doing on the matter is considering appropriate measures to bring to court people who might commit actions which could be construed as genocide.

It is astounding to realize how fast the international community has forgotten what happened in Rwanda. Rather than trying diplomatic means to defuse the situation and planning for the quick deployment of multinational forces should the conflict degenerate, the UN is preparing for a post–genocide period.

Canada's attitude toward this partner state in the Francophonie is just as disappointing as the attitude of the Security Council, and it shows a total lack of leadership.

* * *

[*English*]

NATIONAL GALLERY

Mr. John Williams (St. Albert, Ref.): Mr. Speaker, I think the Canadian taxpayer will be appalled to know that $200,000 has already been spent to purchase one–half of the AZT exhibit at the National Gallery of Canada. I think they will be even more outraged to realize the National Gallery intends to spend more money to purchase the other half of the exhibit which is currently on loan and on display.

AIDS is a largely preventable disease. I am sure most Canadians will agree with me that the money would be better spent educating our young people on the dangers of promiscuity rather than on an exhibit such as this one.

* * *

NATIONAL DEFENCE

Mrs. Elsie Wayne (Saint John, PC): Mr. Speaker, I am greatly concerned about the recent announcement concerning changes to the Canadian forces recruitment operation in New Brunswick.

According to the Minister of National Defence he has decided to close the Canadian forces recruitment operations in Moncton, reduce the detachment in Bathurst, and move the main recruitment centre from Saint John to Fredericton.

The province of New Brunswick once again is being hit extremely hard by these closures, especially from the closure and moving of the main recruitment centre from Saint John to Fredericton.

The minister has stated that the move will save $180,000. However, does the minister realize that the move will remove an annual payroll of $1 million from Saint John? These jobs are permanent jobs that have a positive impact on the economy of Saint John, Moncton and Bathurst.

I ask the minister and the Liberal government to please stop. New Brunswick has already had its fair share of cuts in the budget.

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CHARITABLE DONATIONS

Mr. David Iftody (Provencher, Lib.): Mr. Speaker, it should come as no surprise to anyone that the people of Manitoba, and especially the people of Provencher, are generous people with big hearts.

Statistics Canada has declared that Randolph, a small community near Steinbach of only 130 residents, has the most charitable citizens in all of Manitoba. Despite its size it is truly large when it comes to donating to charity. According to Statistics Canada the median donation given by people in Randolph was $1,890, which means that 50 per cent of the population gave more than $1,890.

Last year it was Blumenort, another Mennonite community in my riding of Provencher, that was reported by Statistics Canada as having the median, again in Manitoba.

It makes me very proud to be representing Manitoba's most giving, most charitable citizens. I congratulate the generous people of Randolph and Blumenort.

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HUMAN RIGHTS

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, the protection of human rights is a universal concern. In this respect Canada has played a respectful role on the international scene.

Often we do not put a face to the issue of human rights. However today the city of Ottawa is graced with the presence of Ajit Singh Bains, retired Chief Justice of the Punjab High Court and the Chair of the Punjab Human Rights Organization. He has also been the victim of many human rights abuses at the hands of the Indian government, including being charged under the notorious Tada law.

Only international public outcry has assured that Justice Bains is able to travel to Canada to make his views known about the conditions in the Punjab.

I hope members will join with me in saluting the efforts of this remarkable man in bringing justice to the people of the Punjab.

* * *

HERITAGE VISION '95

Mr. Andy Mitchell (Parry Sound—Muskoka, Lib.): Mr. Speaker, I rise in the House today to acknowledge the hard work and dedication of a group of my constituents who have taken it upon themselves to make a difference in our riding.

They call their initiative Heritage Vision '95. It brings together the communities of Chisholm, Nipissing, Himsworth South, Powassan, and interest groups that have united for a common cause.

Heritage Vision '95 plans a community heritage park, including an interpretive centre, a tourist information centre, an agricultural centre and a refurbished eight–sided rotunda that will serve as a band shell. The historic Clark House will be the park's focal point.

Heritage Vision '95 chair Dennis Andrews and his hard working team of volunteers have what it takes to see the project through to completion: shared objectives, the will to work co–operatively and the desire to persevere with volunteer time, labour and motivation to accomplish the goals.

• (1405)

Community spirit starts and grows because small groups of people wholeheartedly believe that they can make a difference. Heritage Vision '95 will do just that.

* * *

[*Translation*]

MEMBER FOR HALIFAX

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, during a recent debate, the parliamentary secretary to the Minister of Citizenship and Immigration said that the physicians who approved the use, by Silken Laumann, of a certain drug, banned by the Olympic organization, which resulted in her losing her medal, had to be Spaniards.

This comment has, rightfully, offended the Spanish speaking community of Quebec and Canada. The present dispute between Spain and Canada over turbot stocks must not be used as a pretext to insult people of Spanish descent whose contribution to the development of Quebec and Canada is very important.

The Bloc Quebecois is denouncing this unacceptable comment by the parliamentary secretary which is tarnishing the image of Quebec and Canada, countries which have always welcomed immigrants from all over the world.

[*English*]

WORLD CONFERENCE ON WOMEN

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, a delegation from various government departments including Status of Women is now in New York for an international conference.

Proposals from the conference will dictate the agenda for the fourth UN World Conference on Women to be held in Beijing in September 1995. The government has established a $102,000 bureaucracy to co–ordinate the effort.

The appointed unrepresentative Canadian delegation has proposed an amendment to the conference's platform for action that discrimination based on sexual orientation be recognized as a barrier to women.

How could the government justify spending tax dollars to promote a policy on the international front that has failed to receive approval from grassroots Canadians on the home front?

I call upon the government to cease and desist from subverting the democratic process and the rule of law by covertly promoting its own agenda on the international stage.

* * *

ABORIGINAL VETERANS

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, after months of public hearings, consultations and study, a Senate committee has concluded that aboriginal soldiers were poorly treated after they returned from the two world wars and the Korean war.

The committee now recommends that the federal government apologize to aboriginal veterans and create a scholarship fund in the name of the thousands of aboriginal soldiers who fought for Canada in overseas theatres of war.

I have followed the Senate hearings closely and have listened to the testimony of the many veterans who spoke of the difficulties and discrimination they faced after they returned.

Now that the Senate committee has confirmed what the Minister of Veterans Affairs has long denied, I hope the federal government will take its own initiative and begin the process that will adequately address the grievances so well articulated by aboriginal veterans during the past year.

* * *

HUMAN RIGHTS

Ms. Colleen Beaumier (Brampton, Lib.): Mr. Speaker, I ask all members to join me in welcoming three distinguished human rights activists to Parliament Hill. Ajit Singh Bains, Jasdev

Singh Rai and Jaswant Singh Khalra will be discussing human rights in India this afternoon in room 209 of the West Block.

The issue of human rights violations in India is a very important one for Canadian parliamentarians. Given the growing interest in building on our excellent relations with India through expanding trade opportunities, it is crucial the issue of human rights is not forgotten.

Various international organizations from Amnesty International and Asia Watch to the United States state department have expressed concerns with human rights conditions in India. It is imperative that Canada use its strong ties with India to effect improvements in the human rights situation there.

I say to these gentlemen: "Sat sri akal".

* * *

LAW OF THE SEA

Mr. Ted McWhinney (Vancouver Quadra, Lib.): Mr. Speaker, to those who confuse the European Union, for the most part non–elected officials and bureaucrats, with Europe, the British House of Lords has now spoken out.

The Lords have rebuked the British government for supporting a country, Spain, that has been shown to be a fish pirate nation which has depredated stocks everywhere in the world, including the North Sea.

The Lords have praised Canada for an appropriate action to enforce the principles of the Law of the Sea laid down years ago. They have asked Canada to lend them our minister of fisheries so that they would have somebody in Brussels who would stand up for British fishermen.

To the European Union fisheries commissioner who seems rather light in the knowledge of fisheries and of contemporary international law, the Lords invoke the words of Queen Elizabeth I:

> I have the heart and stomach of a King—and pour foul scorn (on you)—or (all the princes of the Commission who) dare to invade the borders of my realm.

● (1410)

Thank you to the British House of Lords for having a sense of humour and for reminding us that the International Law of the Sea no longer licenses predatory overfishing and spoliation of the earth's dwindling fish stocks.

[*Translation*]

QUEBEC SOVEREIGNTY

Mr. Patrick Gagnon (Bonaventure—Îles–de–la–Madeleine, Lib.): Mr. Speaker, Quebecers are realizing that independence is not the best way to meet the real needs of the outlying regions.

During the hearings held by the regional commission on Quebec's future, the PQ vice–president, Mrs. Monique Simard, warned her party not to enshrine in a new constitution the powers of the regions. Instead, she said that it might be wiser to deal with decentralization through legislation, adding: "You cannot amend the Constitution at the drop of a hat".

Our government agrees with Quebecers that we can achieve much more through administrative agreements than with another constitutional debate; we can only hope that the Parti Quebecois will eventually discover this virtue of federalism. Let us hope that the Parizeau government will decide to co–operate with the Canadian government, because this is what the vast majority of Quebecers want.

* * *

TAXATION

Mr. Gérard Asselin (Charlevoix, BQ): Mr. Speaker, Senator Jean–Claude Rivest and the former Liberal health minister, Claude Forget, warned Quebecers, not against sovereignty, but against the status quo. They fear that, should the no side win, Ottawa might play a dirty fiscal trick on Quebec, shutting the province out of international money markets.

It would appear that the drastic cuts made by the last budget to transfer payments to the provinces are only a beginning. This is not surprising. Indeed, transfer payments to Quebec were cut by more than $14 billion between 1982 and 1995.

After the failure of the 1980 referendum, Quebecers were played a dirty constitutional trick. Should they choose the status quo this time, the federal government might play a dirty fiscal trick on them. It must be said that the Prime Minister sure knows how to play dirty tricks on Quebec.

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[*English*]

AIR TRAVEL

Mr. Chuck Strahl (Fraser Valley East, Ref.): Mr. Speaker, the government says that it is looking for suggestions on ways to trim costs. We have found a way.

Air travel cost the government $275 million in 1993–94. While some departments were reasonable, others were not. The

Privy Council Office has only 650 employees but took 2,400 flights, nearly one–third of them business class. That is four flights per employee. The same with Environment Canada: 22,000 flights but only 6,000 employees. The Canada Labour Relations Board flew high with 42 per cent of its flights in business class.

For the grand–daddy of them all, nearly half of all government flights were booked by national defence with 190,000 flights not including peacekeeping and military missions. DND alone spent $83 million.

There is an invention the government should know about. It is called the telephone. I call upon the government to show some leadership, let its fingers do the walking, and reduce flights by 15 per cent in the coming year.

* * *

GUN CONTROL

Mr. Jag Bhaduria (Markham—Whitchurch—Stouffville, Ind. Lib.): Mr. Speaker, the nation's capital, long considered one of the greatest capital cities in the world, has been rocked by bank robberies, armoured car heists, drive–by shootings, and most recently the shooting of two police officers.

Most, if not all, of the criminal acts have been done with the use of illegal firearms. We have to rid our streets of criminals and the government's crime control legislation is a step in the right direction.

I have long supported tougher punishment for anyone convicted of using a firearm in the commission of a crime. To this end, the government is proposing a mandatory minimum sentence of four years in prison in addition to a lifetime prohibition against possession of a restricted firearm.

While I commend the government for the initiative it is not a strong enough message. Last April I proposed to the justice minister a 10–year mandatory sentence. My proposal is hard line and will send the right message to all criminals in the country.

* * *

WORLD CONFERENCE ON WOMEN

Mrs. Anna Terrana (Vancouver East, Lib.): Mr. Speaker, Canada has proposed that the final document for the upcoming UN World Conference on Women reflect the full diversity of women. A paragraph was inserted to recognize the fact that many women face numerous barriers due to various factors including sexual orientation.

[*Translation*]

Mr. Speaker, this paragraph was unanimously adopted by the 54 members of the European Economic Commission, including the United States. Canada's position reflects the policy approved by the government after consultations held prior to the preparatory meetings.

• (1415)

[*English*]

Canada has an obligation to reflect the domestic situation in international meetings. Seven provinces and the Yukon Territory include sexual orientation as a prohibited ground of discrimination in their respective human rights acts. The courts have interpreted the Canadian Human Rights Act to include sexual orientation as a prohibited ground of discrimination and would be in contravention of the charter otherwise.

The Minister of Justice has stated he would be introducing legislation amending the Canadian Human Rights Act. Many people are anxious for this amendment. Hopefully it will happen soon.

* * *

HUMAN RIGHTS

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, the fourth United Nations conference on women will be held in Beijing this September. The purpose of this conference is to review the status of women worldwide and to place women's equality high on the global agenda.

At this conference Canada will propose a paragraph for the final communiqué stating that women face many barriers to equality, one of which is discrimination due to sexual orientation.

Some have resisted inclusion of this paragraph in the final communiqué. However, this position is consistent with the domestic situation in Canada where the human rights codes of seven provinces and Yukon already include sexual orientation as a prohibited ground of discrimination. The federal government has stated its intention to amend the Canadian Human Rights Act to include sexual orientation as a prohibited ground of discrimination.

Domestically and internationally the government remains committed to the equality of all people and I am proud we will be taking a leading role in Beijing on this issue. It is the right and decent thing to do.

ORAL QUESTION PERIOD

[*Translation*]

MAINTAINING PEACEKEEPERS IN THE FORMER YUGOSLAVIA

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, yesterday, during a special debate called on very short notice, the Minister of National Defence mentioned several scenarios which included maintaining our peacekeeping force in Croatia and Bosnia or concentrating our efforts in Croatia, the final decision being left up to the UN. Although he emphasized the need to continue the rotation of the troops, he also indicated

that Canada's participation in these peacekeeping missions could not last indefinitely.

My question is directed to the Prime Minister. Could he indicate the government's official position on the presence of Canadian peacekeepers in the former Yugoslavia, considering that the stance he adopted during the debate yesterday was ambiguous, to say the least?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the government has decided to maintain Canada's troops in the former Yugoslavia in the same configuration in which they are now. Every time changes occur, either in Bosnia or Croatia, there may be changes in troop deployment, and that is what the minister pointed out. However, Canada's presence in the former Yugoslavia will be maintained for the next six months.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, less than 24 hours before the current mandate of the peacekeepers in Croatia expires, could the minister or the Prime Minister tell us what has transpired from negotiations between UN officials and the Croatian government?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are over there under UN supervision, and we regularly discuss with UN leaders to determine where our troops should be deployed. These discussions are going on all the time. The troops are now in two locations. For the time being we will stay there, but, as the minister said, we may be asked to move and replace troops at another location. We have had similar rotations in the past, and as the minister pointed out yesterday, there may be more in the future.

Hon. Lucien Bouchard (Leader of the Opposition, BQ): Mr. Speaker, I trust that the UN's supervision is not absolute and that we still have some say in the conditions under which we operate. I have the following question for the minister.

I ask the Minister: Instead of inviting parliamentarians to take part in piecemeal debates, as he did yesterday, would he commit himself to a debate on a general definition of the terms and criteria for Canada's future participation in peacekeeping missions that exceed the narrow parameters of his bill?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the government has been very accommodating over the last year and a half in terms of having these debates.

The debate last night was not a restricted one. The hon. member spoke rather eloquently and we appreciate support for the continuation of our troops in Bosnia and Croatia.

• (1420)

I do not think he can fault the government for providing opportunities for these kinds of debates. He also has the vehicle of opposition days if he wants to get into it in greater detail.

* * *

[*Translation*]

CANADIAN ARMED FORCES

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, my question is for the Minister of National Defence. Yesterday, the minister offhandedly minimized the importance of the many cases of suicide within the Canadian Forces, particularly among soldiers returning from peacekeeping missions, including those in the former Yugoslavia. The minister's attitude is surprising, to say the least.

How does the Minister of National Defence explain the fact that members of the military are more inclined to turn to outside help rather than use military resources in order to overcome their difficulties and adjustment problems upon returning from a mission?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I did not say what the hon. member said I did. I was asked yesterday by one of the members of the Reform Party about an apparent increase in suicides, which is of great concern to us, at the base in Valcartier.

While it is true the suicide rate in the armed forces is lower than that of the population as a whole, there is no question that in the last year there has been a slight increase in suicides at the base in Valcartier.

Some preliminary work has been done on that to see whether there is any cause and effect. A Reform member yesterday asserted this had something to do with deployment in Bosnia and Croatia.

We cannot make that statement because there does not seem to be that tie in. Most of the suicides that occur, including these, deal with domestic reasons, family matters. We want to get more information, more analysis. That will require more extensive interviews. We will try to get full information for hon. members so they can have their fears allayed.

[*Translation*]

Mr. Jean–Marc Jacob (Charlesbourg, BQ): Mr. Speaker, I would just like to point out to the minister that the suicide rate at the base in Valcartier alone is higher than in the population as a whole.

Does the minister not recognize that if Canadian soldiers returning from peacekeeping missions refuse to rely on the in–house resources available at the Department of National

Defence, it is because they are afraid of compromising their careers within the Canadian Forces?

[*English*]

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, there have been increased programs that the departments have put in place in the last year or two at the various bases to deal with the stress of members, especially those who have been serving in peacekeeping.

If we look at the last seven or eight years, when Canada has been quite involved in peacekeeping assignments, the suicide rate has not increased abnormally and there is no established link between service overseas and suicide.

As I said yesterday, even one death is of concern to all of us and we will try to get more facts so that all hon. members can appreciate the true nature of the situation. If there is cause and effect, we will have to do something about it. I cannot categorically state that today, but we will get the information.

* * *

PEACEKEEPING

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, with respect to peacekeeping in Croatia and Bosnia, it has been the Reform Party's position that the government should develop clear criteria to determine whether Canada should involve itself in such situations, how long we should stay and when we should get out. Last December we proposed four minimal conditions for continuing our presence in Bosnia, only one of which has been met, which is why we counsel withdrawal.

Will the Minister of National Defence outline the minimal conditions which he feels must be met in order to justify keeping our peacekeepers in Croatia and Bosnia?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, every mission has to be viewed on its own merits. Obviously the criteria are somewhat subjective. It depends on the hostilities in question. It depends on the threat and the requirement made by the United Nations.

I would like to remind the hon. leader of the Reform Party that the special joint committee looked into this matter last year and made some very useful recommendations about peacekeeping in general, some of which have been adopted by the government.

• (1425)

It is important that we make sure before we go into any situation we understand the strategic reason for entering an engagement, the costs and the likelihood of success.

That is why when we engaged in Rwanda last year for six months we extended it by a few months. We have engaged in Haiti for six months.

I want to remind the hon. member the original commitment to Bosnia and Croatia was made by the previous government. I understand why it felt pressure to take part in that engagement. We have a difficult situation, one that is difficult to extract the United Nations from. It is a commitment we are prepared to continue indefinitely.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, yesterday the minister said one of his criterion was not wanting to let the UN down. Surely a more important criterion is not wanting to let Canadian peacekeepers down.

Our peacekeepers are not adequately equipped to do the job. They are not getting the leadership they deserve from the minister and the government, and morale is at an all time low. There have been six suicides in six months in the royal 22nd regiment, the same regiment that will be returning later this month.

What concrete steps is the minister taking to remedy the morale problems and the equipment deficiencies being experienced by our peacekeepers in Croatia and Bosnia?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, what a sad situation when the leader of one of Canada's political parties on the eve of re–engagement in Croatia and Bosnia, for which up to 2,000 people will be leaving their base in Valcartier, makes unfounded allegations about the nature of equipment and morale. I totally reject these assertions.

My parliamentary secretary has very kindly given me a copy of the special joint committee report. On page 29 there are certain criteria outlined adopted by the committee. His members signed on to that report. These criteria are followed by the government.

Mr. Preston Manning (Calgary Southwest, Ref.): Mr. Speaker, we simply asked the minister what he was doing to bolster the position of our people in Croatia and Bosnia. That is hardly undermining their position.

All Canadians share a concern that a withdrawal of peacekeepers from Croatia and Bosnia without adequate replacement could result in wholesale tragedy for innocent victims. If that is our priority concern, should the government not have been doing a great deal more to mobilize world opinion against atrocities being committed there, particularly to mobilize European support for peacekeeping?

What is the government doing to mobilize world opinion against atrocities in former Yugoslavia and to pressure our

European allies in whose backyard this is occurring to play a bigger role in the peacekeeping and humanitarian mission there?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I am surprised at the hon. member's comments. I believe 40 per cent of the troops now in Yugoslavia are from European nations. I would like him to make that statement to the ministers of defence and foreign affairs from Britain, France, Holland, Spain and other countries in Europe discharging their duties very effectively in that theatre.

* * *

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, my question is for the Minister of Citizenship and Immigration.

Yesterday, Canadian authorities apprehended Tsara Rahmani, a 30–year old Algerian student, upon his arrival at Mirabel airport. French authorities had expelled him because they suspected him of belonging to the radical wing of the Islamic Salvation Front.

Since this individual is strongly suspected of terrorist activities, does the minister intend to take immediate action by launching an investigation and, if need be, deporting him quickly from this country?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, it is true the person in question was apprehended by our officials at Mirabel airport at approximately eight o'clock last night. He was questioned immediately by immigration and CSIS officials. Those officials have also been in touch with European agents. We have detained him overnight. The questioning continues.

• (1430)

I certainly appreciate the kind of support the member is offering. Obviously this country should not harbour individuals who have ill motives. Once we establish the facts, we will move accordingly.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, in complete contrast to Mr. Rahmani's case, a thousand Algerians already in Canada are claiming refugee status because they fear falling victim to the surge in fundamentalist violence if they are deported to Algeria. Does the minister intend to give special consideration to their fate?

[*English*]

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, it is something we are closely monitoring. Certainly in terms of the inland determination system, it is true that a number of Algerians have sought refugee status. They are moving through the province of Quebec particularly and are going through the Immigration and Refugee Board.

We are also in concert with the UNHCR, the prime international vehicle for overseas resettlement. I have had occasion to discuss this with the Minister of Foreign Affairs as well as the Prime Minister in the last number of months. We certainly are prepared to be part of an international movement in terms of facilitating those in greatest need. However, we should distinguish that from the case we are currently looking at.

* * *

CANADIAN ARMED FORCES

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, yesterday in response to my question on the tragic suicides reported at Valcartier the minister stated: "The rate of suicides is lower in the armed forces than it is in the population as a whole".

However a review of relevant Statistics Canada data shows a suicide rate of .02 per cent, whereas the rate at Valcartier for the past year is .12 per cent, or six times higher. It should also be noted that the suicide rate at Valcartier among peacekeeping forces sent to the former Yugoslavia is still three times higher than in the population at large.

Given these facts, will the minister not agree this issue must be addressed before more troops are sent to Bosnia and Croatia?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member of the Reform Party is distorting what I said. I said yesterday that the suicide rate in the Canadian Armed Forces was lower than the suicide rate generally in the population of Canada and that is absolutely true.

I have acknowledged that there has been an increase in suicides specifically at that one military base. In response to my colleague from Charlevoix I gave the assurance to the House that we will try to get more information to see what causes are related to these specific suicides and the increase in suicides in the last 12 months.

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): I am encouraged by part of the minister's response that we will get more information.

The deployment regulations state that personnel must have 18 months between peacekeeping rotations, yet since 1992 Valcartier has sent 5,000 troops to the former Yugoslavia. Given the manpower situation at the base, it is clear this regulation is being disregarded.

Given the tragic consequences this appears to be having on the troops, will the minister explain why deployment regulations are being ignored?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, two weeks ago I visited the base at Valcartier.

I saw many of the men and women in action preparing for their assignment. I specifically asked a number of them as to whether they had gone before. Some said yes. I asked: "Does it bother you to go back again?" They said: "No. We want the challenge to serve our country". That is the attitude of these young men and women who are serving our country.

The hon. member and his colleagues should start to rethink their strategy in trying to undermine the efforts of our soldiers fighting to establish world peace in the former Yugoslavia.

* * *

• (1435)

[*Translation*]

KANESATAKE RESERVE

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, yesterday, Kanesatake Mohawk leader Jerry Peltier said that he was still planning to go ahead with his plans for a casino in Kanesatake. At the same time, he indicated that he would not negotiate the terms and conditions under which this casino can be opened with the Quebec government, but only with the federal government, on a government–to–government basis.

Does the Prime Minister confirm that, contrary to how things were done in Saskatchewan and Manitoba, where negotiations were held with the provincial government, his government has agreed to negotiate the opening of a casino in Kanesatake directly with the band council, as requested by Jerry Peltier?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the statement was made by Mr. Peltier. I do not think that any firm commitment was made in this respect by the Minister of Indian Affairs on behalf of the federal government.

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, I ask the Prime Minister this: in his capacity as leader of the government, can he undertake not to allow his government to go over the head of the Quebec government and negotiate the opening of a casino in Kanesatake with the band council, when he knows full well that casinos, lotteries and games clearly come under provincial jurisdiction?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think there are discussions are under way between the Minister of Indian Affairs and people from that reserve who wish to set up a casino, but I have heard nothing about negotiations concerning definite plans to open one. This is, of course, a place where relations with the Government of Quebec are somewhat strained, as we all know. Therefore, caution is in order and, personally, I will wait to hear from the Minister of Indian Affairs before commenting any further.

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[*English*]

NATIONAL DEFENCE

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, the head of the Somalia inquiry, Justice Gilles Letourneau, has stated that the Privy Council Office was informed personally by Anne–Marie Doyle about her conflict of interest with Robert Fowler.

Why did the Privy Council Office not tell the defence minister and why was the government's ethics counsellor not immediately asked to rule on the matter?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I answered most of these questions yesterday in reply to the leader of the Reform Party.

As I have said publicly on a number of occasions, I was not in full possession of the facts with respect to this individual. It is something that was very unfortunate and we regret it.

We will make sure in choosing a replacement for Ms. Doyle that we will find someone of equal stature. We will be a little more thorough in checking all aspects so that we do not have these questions emanating from the Reform Party. They are diverting attention from the very essential work the inquiry has to do.

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, this morning Liberal strategist Mike Robinson stated that the defence minister probably wakes up in the morning wondering what land mines someone might have planted for him when he arrives at his department.

If the minister cannot control or trust his staff, does the minister not agree that he needs to restructure his entire department from the top down?

Hon. David M. Collenette (Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, one of the things that consoles me every day is that I do not wake up every morning to look at the hon. member or his colleagues. I have my family around me.

As far as I am concerned, I do not want to minimize the problems in the Canadian Armed Forces. We are dealing with them on a day to day basis.

If the hon. member and his colleagues would take time out to visit the military bases, to visit the rank and file members, I will make all the arrangements for them. I will go with them. They can have access and they would find that members of the armed forces are very distressed at the line of questioning coming from that party.

[*Translation*]

THE ENVIRONMENT

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, my question is for the Minister of the Environment.

Yesterday, just days before travelling to Berlin to attend the World Climate Conference, the Minister of the Environment finally admitted that her government will not be able to meet the commitments made in its red book with respect to reducing greenhouse gas emissions.

• (1440)

In the light of Canada's incapacity to control its greenhouse gas emissions, how can the Minister of the Environment content herself with presenting in Berlin a mere strategic plan, when what the 1992 Rio accord called for was a true action plan?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I said yesterday and I repeat today that we cannot be satisfied with stabilization only. The commitment agreed to in Rio was to achieve stabilization by the year 2000.

I can assure the hon. member that, in developing our action plan at the federal level, we will go beyond federal stabilization commitments. That being said, when we table a master agreement like the one reached with the provinces, in spite of Quebec's absence, we must work together with all the provinces to ensure that their action plans also go beyond stabilization.

Mrs. Monique Guay (Laurentides, BQ): Mr. Speaker, Quebec has done its homework in this area, but the minister made it clear in an interview given to *Le Devoir* yesterday that she had not done hers.

Is the minister's proposal, which will almost certainly be rejected by the European Union, not in fact part of a plan to create a diversion to mask her incapacity to fulfil Canadian commitments?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, it is sad to see that, on an issue as vital as greenhouse gas emissions, the Bloc Quebecois would rather play politics than join in the search by developed and developing countries alike for a global solution to a global problem.

We are confident. Brazil has accepted our Berlin proposal and we expect support not only from developing but also from industrialized countries in finding a global solution.

We, in the Liberal Party, do not live in a small world. We live in the big world.

[*English*]

FISHERIES

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

All Canadians are vitally concerned with the continued negotiations in preservation of the world's fish stocks and the jobs of fishers everywhere, as well as the food for the next generations. They support the strong stand taken by the minister on the turbot issue.

Can the minister advise the House what progress is being made in the negotiations at Brussels to save the Atlantic turbot fishery?

An hon. member: Brian for the Academy Award. Tell us about Broadway.

Mr. Tobin: Mr. Speaker, I am being heckled by my own side.

An hon. member: The envelope, please.

Some hon. members: Hear, hear.

The Speaker: We anxiously await the minister's reply.

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, the negotiations in Brussels are going on today and are constructive. They focus primarily on the area singled out by the Prime Minister some two weeks ago as the matter of primary concern for Canada. That is the question of conservation and enforcement.

We have had the support of the country and unanimous support in this House of all members and all parties. It is deeply appreciated by the government and has allowed us to take a strong position.

• (1445)

We have said that sustaining the species is what matters most. We have said we would put our priorities, as the Prime Minister indicated two weeks ago, on conservation enforcement. We are making progress in that area. We hope the talks will conclude successfully but we have learned to be patient, to make sure we do it right rather than do it quickly. We will see what happens.

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FORESTRY

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, my question is for the Prime Minister.

Last November I asked the Minister of Foreign Affairs why his department was funding environmental groups whose main purpose was to actively discredit B.C. logging practices in North America and in Europe. Since 1990 the Western Canada Wilderness Committee has received over $754,000 from foreign affairs, environment, human resources development, heritage and natural resources.

Does the Prime Minister support providing federal funding to groups whose main purpose is to undermine our number one industry in Canada, forestry?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, these groups have been helpful because most of the provinces have improved, quite dramatically, the way they harvest forests. It is helping make our case when we are abroad.

We have to be careful. For example, we are asking people to help protect the fishing environment of the sea. We have to do the same thing in Canada. When we have groups in Canada that want to harvest trees in a proper fashion, they are not causing a disservice to Canada, they are helping us to do the right thing.

Mr. Bill Gilmour (Comox—Alberni, Ref.): Mr. Speaker, some of us may recall seeing Stumpy, that large cedar tree stump from the Clayoquot in my riding on Vancouver Island, around Parliament Hill last fall.

The Western Canada Wilderness Committee not only took this stump across Canada at taxpayers' expense, but is planning to take it to Berlin next month to discredit, again, the Canadian forest industry.

My question is for the Prime Minister. Will he act immediately to cancel all funds to this group, which has not only cost taxpayers $754,000 but continues to cost the Canadian economy millions in lost revenue?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, the Prime Minister has underlined how important it is for Canada to have sustainable forestry practices. The work of organizations such as the Western Canada Wilderness Committee reinforces the notion for an international forest practices code where all countries can be judged on a level playing field.

The member would be the first to criticize the government if it did not have a proactive international stance by which it shares Canada's sustainable forestry practices with those of other parts of the world. That is what we are attempting to do, working with environmental groups, rather than damning them all as the Reform Party would do.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development. According to the monthly report published by Quebec's income security department, during the month of March, over 800,000 Quebecers had to rely on social assistance. In spite of the recovery, this increase is a source of real concern, particularly since the under–25 group accounts for 40 per cent of the new welfare recipients.

Will the minister finally recognize that this increase in the number of young welfare recipients is the direct result of his UI reform, which excludes young people from the program, and will he admit that these young people are the first victims of UI cuts?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the best way to answer the hon. member's question is to cite some useful facts and figures which she will be interested in knowing.

The employment gains which took place during 1994 mean that we have been able to reduce UI claims by some 10 per cent over 1993 and helped more than 200,000 Canadians get back to work without exhausting their benefits. In fact, if we look at the figures more closely we find that the exhaustion rate was down by 25 per cent in 1993–94 over 1992–93.

• (1450)

It shows what is contributing to the reduction in the unemployment benefit rate, which is that far more Canadians are going back to work.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, the minister cannot ignore the fact that a StatsCan report indicates that the proportion of unemployed covered by the UI program went from 77 per cent, in 1990, down to 53 per cent, in 1994. There are fewer recipients, even though more people are out of work.

Will the minister finally recognize that, if the number of UI recipients decreased so drastically, it is not because the number of jobless dropped significantly, but because more and more of them are excluded from the UI program and have to join the welfare ranks?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the StatsCanada report shows that one of the distressing areas of concern that we should all share is the fact that numbers of Canadians are unemployed for longer periods of time. It is one of the really disturbing phenomena taking place in labour markets. We are not alone. It is taking place around the world.

Rather than admitting to some great guilt, we should be coming together to work to find solutions to the problem. That is one reason why we are looking seriously, as the hon. member knows, at developing more active employment programs.

To give one example, we have just initiated and will be starting on April 1 some 20 pilot projects across the country using wage supplements to help those long term unemployed to get back into the job market.

If the member is interested, I can give examples of seven such projects in the province of Quebec. It is that kind of real effort that we have to come together on to find new answers to help along—

* * *

CRTC

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

On January 1, 1995 the CRTC launched an innovative tax grab on Canadian cable subscribers. It ignored its previous decision to issue a rebate to consumers which would have caused cable rates to decrease. Instead, half of the money will go to line the pockets of cable giants such as Rogers.

Why will the Prime Minister not protect the interests of Canadian consumers by getting rid of this hidden tax?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, I would suggest that the country and the government over time has been very grateful to the CRTC. It has been able to protect the Canadian cultural content of the delivery system through its broadcast system.

The growth of Canadian arts, culture and performers has been a vital part of the responsibilities administered by the CRTC through its vigilance and its application of the rules of the will of the House.

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, my question was very specific. It was specifically focused on the CRTC and the issue of the current innovative tax grab, as I say. However I appreciate the eloquence of the hon. member.

The CRTC has flip–flopped on the consumer rebate. It has not only imposed an information highway tax but it has also required these companies to pay into a Canadian program production fund. This is nothing more than a tax to subsidize Canadian content. Consumers will no longer stand for this behaviour from the CRTC.

How can the Prime Minister justify this tax without having consulted the Canadian consumer?

Hon. Sheila Finestone (Secretary of State (Multiculturalism) (Status of Women), Lib.): Mr. Speaker, the hon. member should think through the outcome of her observations and her direction. It would mean that a worthy and considerate member of the ministry would have to resign as a result of interference in an arm's length organization.

* * *

THE ENVIRONMENT

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, my question is for the Minister of the Environment.

• (1455)

Next week the minister leads the Canadian delegation to the first conference of the parties on climate change in Berlin. Why is this conference so important that the minister is personally attending and what is the Canadian government's position on climate change?

Hon. Sheila Copps (Deputy Prime Minister and Minister of the Environment, Lib.): Mr. Speaker, I appreciate the question from a member of the standing committee on the environment.

The reason it is such a crucial issue is because if we fail as a globe to address this very critical problem, we will see a situation by the year 2050 where the island of Prince Edward Island will be completely under water, where the lower mainland of British Columbia will suffer massive flooding and where there will be severe fires on the prairies as a result of drought.

Ten years ago people laughed at scientists' claims for the codfish stocks and we know now the price we paid.

The Speaker: I am sure we agree that all questions from all hon. members deserve an answer and that the answers should be quite succinct and to the point. If the hon. Minister of the Environment has not finished, I give her the floor.

Ms. Copps: Mr. Speaker, I do not want to belabour the point. I will only point out that the same naysayers that we are hearing now on the opposite side of the House were the same kinds of people who 10 years ago said we should do nothing about the cod stocks.

Global warming is a crucial world issue and we will address it with a global solution in Berlin.

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[*Translation*]

YOUTH STRATEGY

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, my question is for the Minister of Human Resources Development.

The assessment made of the federal government's Youth Strategy in Newfoundland and in New Brunswick is devastating for this program. Part III of the 1995–96 Estimates indicates that the evaluations did not reveal significant improvements in terms of job opportunities, compared to what could have been anticipated without the Youth Strategy program. The Canada–New Brunswick Youth Strategy also increased the participants' dependency on social assistance.

Will the minister recognize that his Youth Strategy is a big flop?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, one thing I would like to point out to the hon. member is that at this moment—give or take a few numbers—we have been able to work with the private sector to enrol over 10,000 young people in new internship programs in a wide variety of fields such as horticulture, electronics, car repair, logistics, software development.

We are giving our young people a chance to move from formal schooling into the workplace by giving them real, direct work experience training. That is the heart of our youth strategy. I think it is one of the most successful programs in the world.

* * *

IMMIGRATION

Mr. Art Hanger (Calgary Northeast, Ref.): Mr. Speaker, last year only 27,000 immigrants came to Quebec, well short of the expected 40,000. Despite that incredible drop and despite taking a share of immigrants far lower than its share of the population, Quebec will still get $90 million for immigration or about three times as much per capita as Ontario.

Does the minister of immigration agree it is completely unfair for the federal government to give a province a share of immigrant funding that is vastly disproportionate to the number of immigrants actually accepted?

● (1500)

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, as we talked about for some two hours in the standing committee this morning, when we talk of settlement it is not only a question of looking at dollars and cents, particularly with respect to the province of Quebec which has nurtured an agreement over the course of 20 to 25 years where Quebec does settlement very well.

In other provinces, in talking to the Alberta minister responsible for immigration, it is not simply a case where everyone wants the same kind of agreement as Quebec or Ontario. There needs to be some flexibility under the guise of a federal immigration policy to allow enough regional and provincial nuances so they too can articulate the priorities.

It is in that spirit that we will fashion provincial–federal agreements that will work for the benefit of the country in all its regions.

* * *

CAREER COUNSELLING CENTRES

Hon. Audrey McLaughlin (Yukon, NDP): Mr. Speaker, my question is for the Minister of Human Resources Development.

Tomorrow funding will run out for many career counselling centres across the country that give career counselling to women, immigrants and others who need assistance to find work. At this point staff and clients are in limbo not knowing if these services will continue.

Earlier today the minister said he would like suggestions on helping to get people back to work. Many of these centres have success rates of up to 85 per cent.

Will he commit to continuing funding for these career counselling centres?

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, I do not know the exact centres the hon. member refers to but as of yesterday I signed off on a number of the career outreach programs that will serve the clientele there.

Clearly as we are going through a transition year moving into the new human resource investment fund there will be adjustments along the way.

If the hon. member has specific centres in mind I would be glad to receive them and I can indicate to her which ones I have already approved.

* * *

PRESENCE IN THE GALLERY

The Speaker: I draw the attention of the House to the presence in the gallery of Mr. Colin Shepherd, member of Parliament in the British House of Commons and Chairman of the Executive Committee of the Commonwealth Parliamentary Association.

Some hon. members: Hear, hear.

* * *

[*Translation*]

BUSINESS OF THE HOUSE

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, I wonder if the Secretary of State for Parliamentary Affairs could tell us what is on the legislative agenda for the next few days.

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, today, tomorrow, that is Friday, and Monday, the first item on the agenda is second reading of Bill C–76 to implement the budget, then, on Tuesday, we will have an opposition day for the Bloc Quebecois.

[*English*]

On Wednesday we will return to second reading of Bill C–68 respecting firearms. The back up legislation on all days will be Bill C–69, the redistribution bill, and Bill C–75, the farm bill. If not disposed of earlier we expect to deal with these items on Thursday.

There have been discussions among the parties and there has been an agreement that the House not sit on Friday next week.

Accordingly, I ask for unanimous consent for the following motion. I move:

That the House shall not sit on Friday, April 7, 1995 provided that, for the purpose of Standing Order 28, it shall be deemed to have sat on that day.

(Motion agreed to.)

GOVERNMENT ORDERS

• (1505)

[*Translation*]

BUDGET IMPLEMENTATION ACT, 1995

The House resumed consideration of the motion that Bill C–76 an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, be read the second time and referred to a committee; and of the amendment.

The Acting Speaker (Mr. Kilger): We will resume debate with the hon. member for Brome—Missisquoi, who has five minutes left. After that, there will be a five–minute question and comment period.

Mr. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Speaker, as I was saying earlier, the residents of Brome–Missisquoi will be glad to know that they can still depend on their hon. member and on the federal government for help if they want to start a small business.

The people in Brome—Missisquoi are known for their entrepreneurship and their capacity to develop new niches and to adapt quickly to new sets of rules on the world market.

I want to get back to spending. Expenditures at National Defence will also be drastically reduced. Business subsidies have been cut by 60 per cent. Because of the deficit and our current financial situation, we can no longer afford to maintain subsidies introduced ten years ago, which are now eroding our capacity to adapt, to diversify and to remain competitive.

We will also transfer certain programs to other levels of government and privatize some of our operations. For example, airports and marinas will be transferred to local authorities and CN will be privatized this year. Moreover, and this is very important, departments will have to prepare three–year business plans, which will be subject to parliamentary and public scrutiny.

The federal government is cleaning up its backyard, but other levels of government must do the same. The provinces will have to review their programs also.

Speaking of cleaning up, I urge the hon. member for Saint–Hyacinthe—Bagot to do some cleaning–up in his own mind. During his remarks this morning, I heard him criticize the way some Quebec members have voted. This is the budget of a responsible government that knows exactly where it is going. Does the Bloc know where it is going? They are preparing to hold a referendum so that they do not have to sit here anymore, but at the same time they are trying to ensure that Quebec will have 25 per cent of the seats in the House. This is hypocrisy. Do they want to stay or do they want to leave?

I believe in a flexible federalism, a federalism based on dialogue and consensus, not on hypocrisy. Members of the Bloc know full well that it takes a constitutional amendment to change the rules of the game between the various levels of government, but they are still trying not only to confuse people, but to provoke them. We had an opportunity to see, when the vote on the Bloc's motion was taken, the kind of contempt that members of the Bloc feel toward those who do not share their views. It bodes well for the referendum. The remarks made today by the member for Saint–Hyacinthe—Bagot show once again that, for the Bloc Quebecois and the Parti Quebecois, it is just «believe it or die».

The constitution of our country, Canada, guarantees a minimum of 75 seats for Quebec. I hope that Bloc members, after their defeat in the referendum, will have the decency to separate themselves from this House and go back to Quebec to work real hard at helping Quebec population grow. I might indicate to them that there are many ways to go about it, one of which is certainly not to maintain a political and economic climate contaminated by the Bloc, but rather to foster job creation in a strong economy. Then, Quebec will be strong in the true sense for Canada and within Canada, and we will no longer remember the hypocritical tactics devised by the Bloc members and their cousins in the PQ.

To get back to the budget, there is also the new Canadian social transfer. Globally, the major transfers, including equalization payments—which, for that matter, are not affected by this budget—will be 4.4 per cent lower than what they are now. At the same time, the other spending reductions the federal government is imposing on itself will reach 7.3 per cent, almost twice as much.

To summarize the budget, it proposes to reduce spending by $7 for every $1 increase in revenue. The in–depth reorganization of the machinery of government announced in the budget confirms the faith of the people of Brome—Missisquoi in a flexible federalism evolving in a secure environment for all the classes of citizens, young people, students, families and seniors, and also in a secure environment with regard to our political and trade relationships with all our neighbours, who are well aware of the rules of the game here in Canada.

• (1510)

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, the new member for Brome—Missisquoi has adjusted quickly to the House of Commons. We can see this from the gratuitous insults he is flinging at the Bloc Quebecois. This member who, during the election campaign in Brome—Missisquoi, carefully avoided all the debates with his adversaries, is using some rather aggressive language for a new member, now that he is elected.

He prompts me to ask the following question when he says that the federal government has put its house in order in its budget and that the provincial governments should do the same. I would like to hear his comments on this matter. Of course we want to see the federal government put its house in order; that is what we have been asking it to do since we were elected.

I would like the hon. member to comment on the reduced transfer payments under the new Canada social transfer, with cuts of $2.5 billion next year and $4.5 billion every year thereafter. Does the member think that that it is a good way to reduce spending if, in the end, it costs the provinces more to maintain the services which their money was already used to provide?

I would say that yes, the federal government has been putting its house in order, but only by dumping problems in somebody else's backyard. Is this what it calls flexible federalism, the brand of federalism it prefers? I would like to hear the member's comments on this subject.

Mr. Paradis: Mr. Speaker, I thank the hon. member for his question. First, I must say I have just been through an election campaign in Brome—Missisquoi where I met many citizens. The citizens of Brome—Missisquoi, as those of other regions in Quebec, have asked for a budget that would not increase personal income taxes and that would trim the fat.

This is exactly the kind of budget that minister Martin presented. When we speak about putting our financial house in order, and that is what trimming the fat is all about, I think that Mr. Martin's budget does just that. The other part of the member's question deals with the new Canadian social transfer program.

The minister announced that this new transfer program would be implemented only a year from now in order to give the provinces the opportunity to adapt to the new realities. This new Canadian social transfer program gives Quebec a global envelope where budgets for universities, health and social programs will be consolidated and the province will be free to manage them as it pleases. This is what we mean by new, progressive, flexible federalism.

As for the amounts mentioned by my colleague, I must say that the global cuts in federal programs account for a decrease of 7.3 per cent for all federal programs here in Ottawa.

But, for a year, the cuts in provincial programs will mean a reduction of 4.4 per cent only. The federal government is much more severe with its own programs than with the provinces and this is very important. It would be important also that Bloc members go back to their ridings and meet with their constituents. They would see that this is the type of federalism they want.

Mr. Paul Crête (Kamouraska—Rivière-du-Loup, BQ): Mr. Speaker, the hon. member says that during a recent election campaign his constituents told him certain things. There must be farmers in Brome–Missisquoi and I would like to know whether they told him they would like to see a 30 per cent cut in the dairy credit.

This will drive up milk prices and penalize low-income families. Did anyone tell him that when he was seeking the votes of farmers in Brome—Missisquoi?

• (1515)

Mr. Paradis: Mr. Speaker, it is with pleasure that I reply to my colleague. During the election campaign, farming was, of course, one of the topics, particularly in a riding such as ours, which borders the United States. Given its location, the new GATT and NAFTA international trade rules are important at this time.

I am on the point of creating a sort of advisory committee with all the farmers in Brome—Missisquoi to look at how we can adapt as quickly as possible to the new international trade rules, including those of NAFTA. The State of Vermont is across the border from the riding of Brome—Missisquoi and I think that together with the farmers not just in my riding but throughout Quebec we will find ways of adapting to the rules of the new world economy.

[*English*]

Mrs. Dianne Brushett (Cumberland—Colchester, Lib.): Mr. Speaker, it is a pleasure to rise in this House to address second reading of Bill C–76.

As I have stated previously, this budget may be viewed by future historians as a watershed budget. It is a very definite turning point in the history of this government, in the government of the day, when it had the courage to make the really tough decisions, to make the necessary cuts in spending in accordance with responsible financial management.

The budget redesigns the very role and the structure of government. It is a budget which achieves large savings to reach the deficit reduction targets set out in our red book plan. This budget is the cornerstone of the foundation of sustainable finances, sustainable social policy and sustainable economic policy for the future of Canadians. The budget is about nation building. It is about values and principles rooted in fairness among the regions, compassion, and above all, economic and financial leadership.

The future of the country is at stake with a debt of $550 billion and annual deficit budgets for more than a decade now. Because of this, a huge portion of government revenues are consumed by the cost of servicing this deficit and debt, money that could otherwise provide services and programs for Canadians or better still, reduce the amount of taxes we pay. The unexpected increase in these rates since last year's budget has put tremendous pressure on deficit targets. Meeting our targets is essential to strengthen confidence and bring interest rates down. This in

turn is essential for job growth and more job creation for Canadians.

Over $13 billion in savings will be realized through spending cuts and there will be no increase in personal income tax rates. Going beyond to 1997–98, our reforms will deliver a further $13 billion in savings for a three year total of $29 billion. This is the largest set of actions in any budget since the war years in the 1940s.

We are also taking firm steps to increase tax fairness and close loopholes. The budget delivers almost $7 in spending cuts for every dollar of new tax revenue. That is very significant, a 7:1 ratio of spending cuts to taxes.

The government accepted the challenge not only with this budget, but with several budgets to come, to work toward a balanced budget. This is not politically expedient, but it is the right thing to do.

The measures taken in the budget will ensure that Canadians can face the economic challenge of international competition and that we will be able to do so with growth and confidence. This budget is about restoring confidence in government and confidence in Canadians.

Measures which were taken last year in the first budget of this government showed positive results in our economy. Economic growth is at 4.5 per cent which is the strongest of the G–7 nations. 1994 was the most impressive year ever in Canadian exports. We showed a massive trade surplus with the United States and inflation was at its lowest in three decades. There were improved business profits and some 433,000 more full time jobs.

A snapshot of our growth is found in Statistics Canada's report on railway car loadings. It showed that in a seven day period ending February 21, 1995, just a few weeks ago, the number of railway cars loaded in Canada increased 3.7 per cent from the same period a year earlier. Revenue freight loaded increased 6.9 per cent to 4.6 million tonnes. Piggyback traffic tonnage which is included in total carload traffic increased 9.5 per cent during the same period. Tonnage of revenue freight loaded as of February 21, 1995 increased 19.8 per cent from the previous year.

• (1520)

That is growth. Growth in freight means growth in GDP where it should be and not growth in government.

Cuts in government spending mean pain. The budget is about pain. However, the pain was spread fairly to all regions. In the west, grain transportation subsidies were eliminated, while in the east the Atlantic region freight assistance program was abolished. However, both the west and the east, including Quebec, will receive transitional funding helping to alleviate shipper hardship and upgrade transportation infrastructure.

The bill also proposes the elimination of the Atlantic freight subsidies under the Atlantic Region Freight Assistance Act and the Maritime Freight Rates Act. This measure will take effect in December of this year. It will save nearly $100 million.

The MFRA and the later ARFAA subsidies derive from recommendations of the 1927 report of the royal commission on maritime claims, the Duncan commission. The report noted that the BNA Act had guaranteed construction of the Intercolonial Railway, an obligation long met at the time the Duncan commission was appointed. The commission concluded however that there was a particular intention behind the enactment of this guarantee and on its interpretation of this intention recommended a reduction in freight rates.

Therefore, we had the Atlantic freight subsidies program. However, it has proven inefficient in reducing shipper costs. Moreover, it has encouraged companies to structure their investments and organizations to meet regulatory criteria rather than for sound business reasons. The subsidies are of marginal and declining importance to regional economic activity, since transportation services in the region are now more competitive than they once were.

To help ensure that elimination of the subsidy contributes to a better transportation system, the budget announced a five year $326 million transportation adjustment program. Provinces will be able to target assistance under the program to meet local shippers' needs and upgrade infrastructure. Among other things, this should help to modernize the highway system in Atlantic Canada and eastern Quebec.

The people of Nova Scotia know that the backbone of the economy is small business and that Atlantic Canada ended 1994 with the highest rate of growth per capita. Our region grew by 2.7 per cent. This was followed by the prairie region.

One of the most important elements of the bill is the reformation of transfers to the provinces. This represents new federalism. The federal government wants to create a transfer system that functions better and is more fiscally sustainable.

The centrepiece of this reform is the replacement beginning in 1996–97 of established programs financing for health and post–secondary education and the Canada assistance plan with a single consolidated block transfer, the Canada health and social transfer.

The Canada health and social transfer represents a new approach to federal–provincial relations. This new approach is marked by greater flexibility for provincial governments and more sustainable financing arrangements. It continues the evolution toward more mature fiscal responsibility.

The Liberal government approach to provincial transfers passes three important tests. First, the federal government has hit itself harder through cuts. Second, we have given the provinces ample time, that is, one year notice of our intentions.

Third, the reduction in transfer payments is equitable. This is where the fairness comes in again.

Under the previous government the 1980s were a time of greed, a time of surplus and a time of waste. The 1990s under the present government are a time of basic need, not greed, a time of high efficiency and productivity, and a time of sustainability, not waste. It is a time to sustain our finances as well as our environment, our resources and as we all know, our fish stocks.

• (1525)

We made a commitment to the men and women of Canada to reduce the deficit while restructuring social policy. We take that commitment very seriously.

The budget of February 1995 is more than a bunch of numbers. It is one part of a very large social plan, an economic plan, as well as a financial plan. It maps out a very prudent and courageous incredible path, not only for our generation but more important, for the next generation of young Canadians to come. I urge all hon. members to support this bill.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, the member for Cumberland—Colchester spoke about the changes to freight subsidies in eastern Canada. The way she presented it, in a very positive manner, is of course self–interested. However, I must say that this measure changes the whole picture.

Last week, there was a debate on railways. Now, they want to change the shipping assistance program and focus more on road transportation of goods. We must realize that in the past, many businesses had their goods shipped by rail. What did this mean? It meant that they avoided making abusive use of road transportation which, we know, is bad for roads at certain times.

It is all very well to talk about a form of flexible federalism because money is transferred to the provinces so that they can carry out public infrastructure projects. However after a few years, when the roads are a mess, everyone knows that it will be up to the provinces to repair and maintain them with their own funds. I would like to hear her comments on this. She can contradict me if she can. I believe that it is a short sighted view. It harms rail transportation which was appreciated by many.

The need to build a railway was even the pretext used to create the Canadian confederation and what do we have? All of a sudden, in order to control its expenditures, the federal government transfers an equivalent amount on the short term from the railways to road transportation or to businesses. I would like to hear what the member has to say about this transfer and about offloading such expenditures onto the provinces.

[*English*]

Mrs. Brushett: Mr. Speaker, I thank the hon. member for Lévis for his comments. We have enjoyed a valuable asset in the rail system in building this country.

Many times I have gone through the province of Quebec, growing up in New Brunswick and living in Nova Scotia. It is part of our whole eastern heritage, part of our whole country.

These assistance programs are antiquated. They have come through the British North America Act in 1920, 1930, 1940. I say again that they are antiquated. It is important that we update and modernize. Our manufacturers, our grain growers, our furnace makers in Nova Scotia, our farmers, wherever they are, in Quebec or Nova Scotia have the same needs: to move products to the marketplace.

I cited some statistics taken by StatsCanada four weeks ago. Trains have increased some 19 per cent in freight in this country. If time permitted, I could address the question of railways, how a line in Nova Scotia from Sydney to Truro, my hometown was sold. It has become privatized. It was losing a million dollars a year and now it is making several million dollars a year. The amount of freight moving through those lines has increased. This is happening with short lines across the country. They are becoming profitable.

By taking the subsidies away we are allowing our manufacturers and farmers to have more flexibility. We are allowing them to be more efficient in the 21st century, to modernize and to look at creativity under a world trade organization as well. The transitional funding allows us to get to that point and to upgrade the highways.

• (1530)

The hon. member for Lévis knows as well as I from Cumberland—Colchester that the highways between Quebec and Nova Scotia certainly need upgrading so that we can share in trade wealth a lot better between each other.

[*Translation*]

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, I thank you for allowing me to speak in this House on Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995.

In its budget, the government announced a series of measures that jeopardize our social programs. Bill C–76 confirms what we feared most and shows the extent of the damage done to Quebec and to the provinces by the federal budget. Cuts in transfers to provinces amount to $7 billion. That is $7 billion of the federal deficit reduction taken off the back of provinces. These new cuts in transfers to provinces come on top of all the unilateral cuts made in the few last years that were so stridently criticized by

the government members who were then sitting in the official opposition.

We must recall that, between 1977 and 1994, the federal government's share of social program financing, that is for health, education and welfare, dropped from 47.6 per cent to 37.8 per cent. Bill C–76 is the confirmation of a sharp drop in federal funds, which is supposed to reach 28.5 per cent within two years, by 1997–98.

After so many years of offloading its responsibilities onto the provinces, the federal government still does not understand that reducing transfers does not solve in any way the fiscal problem that all Canadian governments experience. By imposing dual jurisdictions in fields that are not federal according to the Constitution, the federal government is preventing any real solution to the crisis in Canada's public finances, whether at the federal or the provincial level. In the end, the real losers are the taxpayers we are here to represent.

I said earlier that this budget would be the end of our social programs as we know them. We all know that Quebec and the provinces are facing a breathtaking rise in medicare costs. This raise is mainly due to factors such as an aging population, new and more expensive medical technologies and significant cost increases in pharmaceutical products.

In the last budget, as was the case in previous budgets which froze transfer payments, the government announced substantial cuts in transfers to Quebec and to the other provinces for health care. It does not matter that, under Bill C–76, transfers for this program will be lumped in with other program funding in one transfer, the Canada social transfer. The result will be the same. Less money will be available for health care, and in this way, the government has chipped away at one of the foundations of our health care system.

The Minister of Finance should be honest and open with Quebecers and Canadians. He should admit to them that such cuts in transfer payments will put an end to the health care system as we know it, because that is what is at stake here.

The claim that all of these cuts will have no impact on the health of Quebecers and of Canadians and on the health care system itself is false. I cite as proof the recent statements made by the Prime Minister, when he quietly and furtively introduced the new concept of guaranteed fundamental or basic health care services for Canadians. By even talking about minimum standards, which have not been specified or determined, as being essential, the Prime Minister only draws more attention to a cross–Canada phenomenon: a two–tiered and two–speed health care system.

The two–tiered health care system is gathering steam from the well established tendency in the system which, unless there is a spectacular about–face, will become the norm. On the one hand, a normal or basic service will be covered by health insurance and, on the other, a fully loaded, specialized service will also be available for those who can afford to pay the user fees, to buy private insurance or to finance their health care in another way.

• (1535)

As for the two–speed health care system, it is well entrenched throughout Canada: slow public services for those who cannot afford to pay and fast private services for those who cannot afford to wait but can afford to pay.

No one in this House can deny that our health care system as we knew it has undergone radical changes across Canada. The two–level and two–speed system is no longer a doom–and–gloom scenario but a reality.

In his budget speech, the Minister of Finance solemnly declared, and I quote: "The conditions of the Canada Health Act will be maintained. For this government, those are fundamental".

Bill C–76 reimposes these national standards while, at the same time, cutting the financial resources needed to maintain them. It is pitiful double talk: although we want a Cadillac, we will only make payments for a bicycle.

They are saying that the provinces should find ways to make up the difference and trying to pass this off as an example of flexible federalism. How can the Minister of Finance still think and maintain that Quebec and the provinces will manage to provide the same health services to the population? How can Quebec and the provinces manage to maintain all five conditions of the Canada Health Act imposed by Ottawa, when the Minister of Finance is offloading onto them a deficit in the billions of dollars through cuts in social programs?

The Minister of Finance should have shown some courage and should have been straight with his fellow citizens by telling them: "Unfortunately, because of our past mistakes, in particular at the time of the Chrétien and Lalonde budgets, we can no longer afford to maintain our health care system as we know it today". The Minister of Finance is dodging his responsibilities instead of facing up to them. This government is dodging its responsibilities by transferring its deficit to Quebec and the provinces. This government is misleading the people by hiding the fact that the health care programs are about to sink as a result of the budget.

Bill C–76 takes out two heavy mortgages on the Canadian health care system. On the sole basis of the obscene interest rates resulting from the federal government's inability to bring under control the public finance crisis it has created, the health of our patient, the taxpayer, is not about to get better.

The Martin budget and Bill C–76 implementing it take out a first mortgage on the general state of health of our fellow citizens. All studies conducted here and elsewhere clearly show the cause–and–effect relationship between poverty and the state of health of the population. By making cuts to social housing and unemployment insurance, attacking the unemployed rather than unemployment itself and reducing transfers to the Canada Assistance Plan, the government is launching a full–scale attack against the most disadvantaged in our society. For the

second year in a row, the unemployed and the working poor will be the budget cuts' main victims, while large corporations and financial institutions will be spared for all practical purposes.

The Minister of Finance announces further cuts to the Unemployment Insurance Program but only a temporary tax on the capital of large banking institutions. The minister will beg for a mere $100 million from banking institutions, when the Royal Bank alone made over $1.2 billion in profits last year.

In addition, this government turned a deaf ear to requests from all sides, from the Bloc and the Conseil du patronat alike, to eliminate all business subsidies. Instead, the Minister of Finance chose to make cuts of more than $300 million in social housing rather than going for the remaining $1.5 billion in business subsidies. That is the federal approach.

Large corporations and banks can sleep in peace. The Minister of Finance clearly indicated in his budget that, once again, the unemployed and the disadvantaged will bear the brunt of the financial problems of this inefficient federal system, while at the same time ensuring that wealthy Canadians may continue, until the end of the century, to benefit from the advantages that flow from the establishment of family trusts.

So, this is one way Bill C–76 attacks the health of Canadians. In time, sparing the rich by squeezing more and more money out of the disadvantaged, the government is, in fact, taxing the health of the latter.

• (1540)

In this land of renewed and flexible federalism, the idea is to be rich and healthy not poor and in ill health. The second attack of Bill C–76 on the health area is a direct attack on the provinces' capacity to meet national standards in health care at a time when the federal government is substantially reducing its transfer payments. There is a certain irony in this way of proceeding. The federal government is cutting its transfer payments to Quebec by 27 per cent while at the same time developing national standards like those arising from the Canada Health Act and imposing them upon Quebec.

Quebec is expected to absorb a large portion of Canada's deficit, while the federal government continues to interfere in Quebec's jurisdiction. Quebecers will continue to pay for the duplication imposed by the federal system. There will still be two health departments, two human resources departments, two environment departments, and so on.

As for the health sector, if the federal government can no longer afford to meddle in this field of provincial jurisdiction, it should get out completely and leave it to the provinces, with the appropriate means of financing. This way, the federal government would at least save all the administrative costs related to its programs, which duplicate those of the provinces. One example is the pre–natal program established last year by the health minister, which is identical to the Quebec OLO program. Both the federal government and the provinces would gain and, in the end, the public would get more for the same money.

In Quebec, as in the rest of the country, people now realize that they can no longer get deeper into debt if they do not have the means to pay. Canadians and Quebecers balance their budget by reducing waste and frivolous spending. In every household, people consult each other to avoid buying the same item twice. By taking on two major financial commitments in the health sector, the federal government clearly shows that it still does not realize the seriousness of its financial situation. The only appropriate remedy would be to stop spending, in fields which do not fall under its jurisdiction, just for the sake of satisfying its compulsive need to centralize.

Canadian finances suffer from an acute case of federalism. In order to centralize everything, federal initiatives duplicate and overlap with provincial ones, regardless of the costs, or net results in terms of services to taxpayers. I draw the attention of this House to the eloquent silence of the health minister regarding the negative but foreseeable effects which this bill will have on health care services in Quebec and in Canada. If the minister is at all receptive to what goes on in her department, she must be aware of the serious impact of this bill on our health system.

She must see the flaws of a system which is obviously and quickly leading us to a two–level program. Since the hon. member assumed her functions as Minister of Health, she keeps on repeating that Canada's system is the best in the world and that she cares so much about Canadians' health that she will never sacrifice the five major principles underlying the Canada Health Act.

But the facts do not bear this out. If the minister will not sacrifice, as she claims, these major principles, her colleague, the Minister of Finance, has no scruples about doing it, although not directly, since that would require a good dose of straightforwardness, but indirectly. Principles or not, the Minister of Finance slashes the established programs financing, thus making deep cuts into the health care system.

The minister may claim over and over her attachment to the principles underlying the legislation, but what happens if the necessary financial support is not provided? The principles gradually but surely fall into oblivion. Those are the facts of the matter, and they are becoming more and more obvious to Quebecers. Canadians all over the country would not rush to private clinics the way they are doing if the attachment of the health minister to the principles of the Canada Health Act was

shared by all, and particularly the Minister of Finance, who is showing just the opposite with Bill C–76.

• (1545)

I realize that the Minister of Health cherishes the principles which, at the time, were instrumental in establishing what she invariably refers to as the best health care system in the world. However, I do not think that, cherished though they may be, these principles had any impact on the government's budgetary decisions. It is clear that the minister failed miserably in her attempt to obtain the appropriate financing for our health care system.

Perhaps I may recall for the benefit of hon. members what the Minister of Health had to say about the impact of the cuts and freezes imposed at the time by the Conservative government on transfers to the provinces for health care programs.

The minister said in 1992, and I quote: "Cutting back on the transfers in these areas has not contributed to better management of our health care system". She went on to say: "We have literally forced our deficit on to the provinces and said to the provinces they have a choice: they can either increase their taxes or cut back on their services. What we have seen in many instances is a mix of the two".

Then, still in the same speech, the minister indicated the following: "Cutting back on the transfers in these areas has not contributed to better management of our health care system. They have only contributed to the cutbacks and to the fear that we feel now across the nation as the middle income group, which is the largest group of Canadians, are frightened and afraid of what is going to happen to them in the future. Will there be a health care system for them, will they be able to get the drugs that they need at the prices they can afford to pay when they need them, when they get to be a certain age? There is this feeling that perhaps the federal government is letting go of its responsibilities in this matter".

So what does the Minister of Health have to say now about her government's responsibility for health care, when the bill before the House today offloads $7 billion of the deficit to the provinces by cutting transfer payments? Since she probably knows better than anyone else the serious consequences of these cutbacks, what did she do and what is she doing now to defend her position before the Minister of Finance?

In fact, the Minister of Health has abdicated her responsibilities. When the last budget was brought down, she formally announced there would be a national forum on health, as promised in the red book, to be chaired by none other than the Prime Minister. We were told the health care system would be spared until the conclusions of the vast public forum were known.

While the Minister of Health was unable to hold her forum, which was going to provide all the answers, her colleague, the Minister of Finance, wasted no time and spared no expense on a course of action. The national forum, the discussions and the reforms were all to be scuttled; blind, uniform and unilateral cuts were the answer.

The Minister of Health who must see the same two–tiered two– speed system we see everywhere in Canada, should have the courage to rise in this House and denounce the unilateral decisions of her colleague, the Minister of Finance.

Bill C–76 proves to us that the Minister of Finance is not getting caught up in his colleagues' proposed reforms. In the case of the Axworthy reforms, he did not wait for either the report or the recommendations. The agenda for reform was so vague, there was no time to wait. This was the case also for the national forum on health. At the rate things are going, with the health department dragging its feet and finance charging away at a gallop, there will probably be no more money for transfers by the time the Minister of Finance gets a whiff of a recommendation from the national forum on health.

In the final analysis, this bill is the antithesis of flexible federalism. Nothing in it, in the facts or in the measures announced alters the status quo in the slightest. On the contrary, it confirms the governments imperialist propensity to conduct its business with the provinces by presenting them with a fait accompli. It is true to its vision of ever more centralized federalism.

Mr. Speaker, I conclude on this point. The bill conceals serious consequences for the future. It continues to widen the gap between the rich and the poor in our society and condemns many aspects of our social programs to certain death. The people of Canada have to know these things. More specifically, the people of Quebec have to know them before they make a final decision on the federal system, which is clearly not managing to solve its problems and is even less successful at changing to meet the expectations of Quebecers.

• (1550)

Mr. Dan McTeague (Ontario, Lib.): Mr. Speaker, I listened attentively to the speech by the hon. member for Drummond.

Earlier on, she talked about our health care system and the negative effect that this budget would have on drug costs and on Canada's health care system. Yet, I did not hear the hon. member say a word about what really has an impact on the system, drug patents, which, interestingly enough, the Bloc Quebecois supports.

My question is based on reality. The reality is that the health care system is falling into ruins because of an annual increase of 12 per cent caused by the system that the previous government left behind. My question for the hon. member opposite will be

simple: While things are so equal, with this being the truth, how can she say that this government, which is more committed to preserving the health care system than any other preceding it, is destroying the system; how can she fail to tell the true story, fail to recognize the impact of drug patents, especially in the Province of Quebec, where people can no longer afford to buy drugs like they used to in previous years?

Mrs. Picard: Mr. Speaker, the role of the federal Department of Health at the outset was to transfer sums of money for certain programs being established at the time, like the EPF which was calculated per capita. But, the government, because it holds the power to spend, decided to reduce its deficit by cutting and freezing transfer payments.

The demand for health care in the provinces has increased and freezing transfer payments has reduced the provinces' ability to manage their health care system. Last year, the decision to extend the freeze meant that billions of dollars were not transferred to Quebec, and these billions of dollars which the Province of Quebec did not receive obliged it to reduce the services offered in hospitals. This year, transfer payments will be cut even more.

That is not the role of the Department of Health. The department is supposed to transfer moneys owed to the provinces. Regardless of how it will come about, the result will be that funding for health care will be reduced and it is the provincial governments who will get the squeeze when the population or the costs of new technology and pharmaceutical products rise. And now, the provinces have to do the dirty work associated with the cuts in transfer payments for health care services. The government should limit itself to transferring the moneys it promised at the very beginning, in 1967, when it imposed standards, when it imposed the principles of the Canada Health Act.

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, since we did not have time to discuss it, and my colleague for Drummond is the health critic, I would like to ask her what she thinks of the absence of the provincial governments from the national forum on health.

Mrs. Picard: Mr. Speaker, I find it completely absurd, because the Liberals had promised a national forum on health during the election campaign with all the provinces being invited to review the system as a whole, since they are on the front line and are primarily concerned, as it is they that manage the health care system. And then the government ignored the provinces.

• (1555)

It probably invited people who are doubtless competent. But this is not their role. It is the role of the provinces. The ministers of health of each province have something to say. They know what they need.

The situation is absurd. Millions more are being spent for what? We will end up with one more report on the shelf, and that will be the end of that. We will move on to another electoral program in which we will be promised a new national forum on health.

[*English*]

Mr. McTeague: Mr. Speaker, I want to be perfectly clear about the comments made by the member for Drummond. Once again the Bloc Quebecois demonstrates that it is not prepared to live up to the reality of why the health care system is in such bad shape and has badly deteriorated.

The reality is that when drug prices increase by 12 per cent a year it affects the province of Quebec and every other province. They are undermining health care costs.

The Bloc Quebecois demonstrates once again that it is prepared to play all sorts of sleight of hand and to use a good budget like the one presented by the Minister of Finance for another agenda. If the member is concerned about the health care system, will you and your party not agree that—

The Acting Speaker (Mr. Kilger): Order. I remind members to direct their interventions through the Speaker.

Mr. McTeague: I wish the member would respond adequately to the following question. How is it possible that the Bloc Quebecois and the member are interested in attacking the budget without dealing with the reality that drug prices are undermining the health care system and not the budget of the finance minister?

[*Translation*]

Mrs. Picard: Mr. Speaker, I would like to respond to my hon. colleague. I would like to know how his constituents react to being told that the Minister of Finance is cutting transfer payments to the provinces for health care. In Quebec, if there is a shortfall of $1.2 billion, who is going to suffer? Your taxpayers, sir.

The Acting Speaker (Mr. Kilger): Order. I encourage members equally, and perhaps I should do it more forcefully, to direct their interventions through the Chair.

Mrs. Picard: I am sorry, Mr. Speaker. I apologize.

Taxpayers will be the ones to suffer. However, these are the very taxpayers who, along with Quebecers, provide $30 billion in taxes. Quebecers were promised that funds for health care would be returned to Quebec to cover the cost of administering their health care system, since its administration is a provincial and not a federal matter.

Now we are talking about drugs. In the present budget, regardless of the method of transfer, there is not enough money. There is not enough money to manage our health care system and in fact to pay the cost of drugs, which is on the rise, and to pay for medicine for seniors.

I reject this bill, which cuts health care and unemployment insurance once again on the backs of the most disadvantaged. This is what I object to.

[*English*]

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I do have my supporters; it is a great delight to hear their applause. It is probably because they basically know what topic I will deal with.

• (1600)

It is a pleasure to rise in support of the budget because it breaks new ground in a way that has generally been overlooked by the media and by some members of the House. I am speaking of the fact that the budget, for the first time, declares that the government is going to put some restrictions on the funding of special interest groups. It will be setting out some guidelines to bring order to what has been over the years a very bad situation.

For many years government funded advocacy groups have controlled the political agenda. The government, in calling to account special interest groups, will not only save a lot of money, it will also change the way in which politics are conducted.

The innovation that the government has introduced requires all cabinet ministers to take personal care in the funding of special interest groups. It has given Treasury Board very specific guidelines. The Minister of Finance did not mention them in the budget so I will tell the House what the guidelines are.

Basically when a minister is deciding whether a group should get government funding, the first question asked is how large the public benefit will be because of the activities of the group. If that group is going to do a great service and be of benefit to many people, then the guidelines dictate that it should get special attention for funding. However, if a group can raise the money itself then ministers are instructed to give it less attention for funding.

If a group has a very narrow focus, then the guidelines suggest that it should probably find its own funding. That is a very important point. Many advocacy groups, single agenda groups, have a very narrow focus. Many Canadians believe that these groups should raise their own money to further their own causes.

The Acting Speaker (Mr. Kilger): Order, please. I must interrupt the hon. member.

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Kilger): I have the honour to inform the House that a message has been received from the Senate informing the House that the Senate has passed the following bills: Bill C–73, an act to provide borrowing authority for the fiscal year beginning on April 1, 1995; Bill C–79, an act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1995; Bill C–80, an act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1996.

THE ROYAL ASSENT

[*English*]

The Acting Speaker (Mr. Kilger): I have the honour to inform the House that a communication has been received as follows:

Mr. Speaker:

I have the honour to inform you that the Honourable Beverley McLachlin, Puisne Judge of the Supreme Court of Canada, in her capacity as Deputy Governor General, will proceed to the Senate chamber today, the 30th day of March, 1995 at 4.00 p.m., for the purpose of giving royal assent to certain bills.

Yours sincerely,

Judith A. LaRocque
Secretary to the Governor General

GOVERNMENT ORDERS

• (1605)

[*English*]

BUDGET IMPLEMENTATION ACT, 1995

The House resumed consideration of the motion that Bill C–76, an act to to implement certain provisions of the budget tabled in Parliament on February 27, 1995, be read the second time and referred to a committee; and of the amendment.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, it is a pleasure to be interrupted with such good news.

I will carry on. I was describing the guidelines the treasury board specifically developed for ministers to decide how they should fund special interest groups—

An hon. member: You are going to be interrupted again.

THE ROYAL ASSENT

[*English*]

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

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

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

• (1615)

And being returned:

The Acting Speaker (Mr. Kilger): I have the honour to inform the House that when the House went up to the Senate chamber the Deputy Governor General was pleased to give, in Her Majesty's name, the royal assent to the following bills:

Bill C-73, an act to provide borrowing authority for the fiscal year beginning on April 1, 1995—Chapter No. 8.

Bill C-79, an act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1995—Chapter No. 9.

Bill C-80, an act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1996—Chapter No. 10.

GOVERNMENT ORDERS

[*English*]

BUDGET IMPLEMENTATION ACT, 1995

The House resumed consideration of the motion that Bill C-76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, be read the second time and referred to a committee; and of the amendment.

Mr. John Bryden (Hamilton—Wentworth, Lib.): Mr. Speaker, I have to say, being a critic of special interest groups, that I occasionally ruffle feathers. I have for a long time been expecting to hear knocks at my door. When royal assent happened it was a great pleasure to realize that it was not yet another special interest group but the Gentleman Usher of the Black Rod. I am deeply grateful for that.

I was talking about special interest groups. I should like to take the opportunity to explain to the House a distinction that needs to be made in the context of my remarks. There are two basic types of special interest groups. There are those that provide services to the public. The government is very interested in seeing that happen. Many of them are charities and non-profit organizations. There is another category, the special interest group that is basically an advocacy group or a lobby group which pushes its own agenda.

The development of guidelines for ministers to cut funding to special interest groups is a brave move on the part of the government. It will require considerable courage on the part of cabinet ministers. They will be reviewing organizations wherein it is sometimes difficult to discern the difference between a group that is providing an important service to society and group that advocates for a particular category of society. There will be reaction.

• (1620)

Many ministers who try to ensure that limited government funds go where they will be most effective will be subject to a lot of criticism. Politicians do not generally like criticism. This is one of the reasons preceding governments never tackled special interest groups. The government is prepared to take that criticism and do what is right. That is very important.

Sometimes it is very difficult to know where best to cut funding to groups that provide services which may no longer be effective. Cabinet ministers will be confronted with the situation where occasionally they will issue orders, funds will be cut back by bureaucratic decree and some groups that deliver very important services to the community may be injured.

This is where the individual member of Parliament comes in. We on all sides of the House should help the ministers to cut spending in interest group areas and ensure the spending is cut in such a way that the groups which are doing good work in society are preserved. Certainly MPs know better than the bureaucracy who is most deserving in their ridings. Basically that is the responsibility of an MP.

I wish I could report that each ministry has issued a report or a description of its plans for cutting funding. This is not the case because the ministers are approaching a problem that has been in existence for a very long time. It will take a while to bring it under control. In some ministries it will be more difficult than others.

For example, the industry minister has moved very swiftly. Within weeks of the budget coming down he produced a paper showing a great number of groups that had traditionally received Industry Canada money for community programs. They may be businesses but they are still community programs. He moved very swiftly and many of the programs are slated to be discontinued. I look down his list and empathize with the minister. It is very difficult to cut some programs. However it has to be done and we can see that the minister has done it wisely and well.

Health Canada is a ministry with an enormous infrastructure for funding special interest groups of every sort, lobby groups, care groups, service groups: anything we would care to think of. It will take about three or four months before we really see what the health minister is doing in that regard. However I have good news. The health minister has moved to cut the funding of the

anti–smoking promotional campaign from $180 million to $64 million.

This is a fine example of a minister moving in the spirit of the budget. We are all in agreement that smoking is bad for our health. However we are not in a position any more where we can afford to fund essential promotional campaigns that are nothing more than advertising and propaganda exercises which may be better done by our schools. This will release millions of dollars in Health Canada for programs that deal directly with the health of Canadians. The health minister has shown courage, has done what is right and would get the support of most Canadians.

Turning to foreign affairs, I cannot give details but I know that the minister is moving very responsibly on the program. We will see limited funds for foreign affairs, for helping the disadvantaged in other nations. We will see the funding being done with a great deal more care and a higher percentage of our taxpayers dollars going to people who can most benefit by them.

• (1625)

I will comment on human resources development, one of the hardest ministries in terms of implementing this program. The minister understands the absolute necessity of ensuring that limited dollars get to Canadians who need them most, Canadians who are suffering and will directly benefit. We should watch the minister very carefully. I am confident we will see changes in the ministry that will result in a far better use of the taxpayers dollar.

However, it will be difficult for the minister because he will come under a lot of criticism. We should get behind him and support him as best we can. It is a very difficult job. I do not envy what he has to do.

This exercise is very worthwhile. Canadians have long perceived a large problem with respect to government funding of interest groups, be they advocacy groups or service groups. I regret to say there has not been the accountability that is necessary, particularly in a time when we do not have the money. It was all right maybe 15 years ago. Maybe governments felt they had much more to spend then, but right now we have to make sure that we spend wisely and well. This is a situation in which there has been very poor accountability.

I could talk at great length about where special interest groups have used their money unwisely, but let me just deal with one particular area, the area of fundraising. I have done quite a bit of study on special interest groups. I have had to focus primarily on charities because non–profit organizations do not have to fill in a return that I can track and charities do. The charity information return will at least give some hard data on what particular special interest groups are doing with respect to accountability of public funds, be it money they received from government or money they raised from private donations.

It is very instructive. I will just take members through a few of them. For example, the Canadian Council for Multicultural and Intercultural Education is an organization that is basically trying to get the message out with respect to race relations and ethnic relations. It calls itself an educational service. I am sure it is a very worthy cause.

However, let us look at the council's charity information return which I have here. We would think the organization has the potential to attract funding from many groups in society, not just ethnic groups. We see that it received absolutely no private donations whatsoever in 1993. When we read its information form further we discover that it received $191,915 from government.

This raises serious questions. Why cannot an organization like this one raise some of the money on its own? This is the type of thing the new guidelines are addressing and the type of question the guidelines raise. If it has a constituency why does it not get money from that constituency?

Let us try another one. The Canadian Foundation for Children, Youth and the Law is an organization that raised some private donations. It raised $4,058, not a large sum. However from federal and provincial grants it received $420,874. The organization is promoting knowledge and appropriate implementation of laws affecting children. We would think such an organization could do better than raising $4,050 in private donations. Yet we see it is not there. I am not saying it is not a worthy organization but surely if it is that worthy, it ought to be able to get some funding from the public at large.

• (1630)

Moving right along, there is the well known charity Kids Help Phone. This charitable organization is designed for 24–hour phone counselling for teenagers, crisis lines. Backing it up is a foundation which is the fundraising arm of the charity. There are parallel charities, one an organizational charity and one a foundation. We have to combine the two.

The total in donations this organization received from the public was $3,615,000. Then I look down and see in the forms which I have here that it spent $1.55 million on its actual charitable activities. In other words, of the private donations it raised, only 43 per cent actually went to its charitable activities. In other words, 57 per cent, $2,061,000 went to management, administration and fundraising. For every dollar people donated, 57 cents did not go to the actual charitable endeavour.

This is a very good organization in its purpose. I do not want to indicate that I do not approve of what it is doing. However, Canadians demand a better fundraising effort on the part of the charities they are supporting than what we see here.

When we start examining these things we can take quantum leaps. I will now take a quantum leap to look at another charity, Wildlife Habitat Canada. This charitable organization is dedicated to improving wildlife habitats anywhere in the country and even in Britain.

This organization has managed to raise $9,601 in private donations. In provincial and federal government donations it received $2,711,000. It is important to keep these figures in mind: $9,000 in private donations and over $2 million in federal grants. It did raise funds, the $9,000, and in fundraising costs it spent $85,211. There is this incredible situation of an organization principally funded by government which spends $85,000 on fundraising and raises only $9,000. That is $8.75 spent for every $1 raised.

Canadians have good reason to question that type of activity. The average, ordinary taxpayer donated over $2 million to that charity which obviously has a fundraising problem of a very high order. And so it goes, unhappily.

There is another one, the Canadian Ethnocultural Foundation. It actually spent $14.40 for every $1 it raised. It is not a very effective fundraiser either.

I could go on at great length. I would not want to do so because it is late in the afternoon and I fear I would depress you, Mr. Speaker. There are many hundreds of organizations like these that have problems.

Let me conclude my remarks by reading from a letter. This campaign is something I have taken a specific interest in and there has been a little news coverage from time to time. I have received over 250 letters from Canadians who agree that Parliament should be carefully examining how we fund all interest groups.

• (1635)

The spirit of that was captured in this one letter from an organization which states: "We are a registered charity ourselves. However we do not accept funding from any level of government. This has meant that funding has been lean at times, particularly in 1991 to 1993. But if one is doing anything worthwhile there are always citizens and foundations willing to support your work. This is perhaps the truest test of the value of a non–profit body".

Nowhere along the line does this government, nor do I as an individual, propose cutting funding absolutely from all interest groups. Many interest groups have an important role to play. They can do things that government cannot do. They can reach out to people in society because they are out there in society. However we have to make sure that those groups we do support are the ones which can most effectively represent the interests of Canadians.

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, as always when the hon. member opposite is speaking the ears in this Chamber perk up. I say this quite sincerely because when my hon. colleague speaks, usually it is about something worthwhile and we can learn something if we listen. I would therefore most sincerely seek the counsel of the hon. member.

If we are looking at special interest groups and the financing of special interest groups via the public purse, certainly we in this House are no different from or worse than anybody else in that donations to political parties or campaigns receive a tax credit. We get beneficial treatment under the Income Tax Act as compared with another charity.

I would ask the member opposite to consider the following. If a private member's motion from the opposition were to come forward which would have the effect of ensuring that donations made to political parties would be subject to the same scrutiny and the same tax advantage as any other charitable donation, would the member opposite be supportive of such a move?

Mr. Bryden: I thank my colleague for the very good question. I never indicate how I will vote for legislation I have not seen beforehand.

I have great sympathy for what he is saying. The advantage in tax receipts political parties get versus charities is an area which needs to be reviewed. We have to philosophically ask ourselves whether it is really necessary that political parties enjoy that kind of advantage. There are some questions there as we would not want a situation to arise where politicians cannot support themselves.

One thing on this whole issue of special interest groups is at least the politicians, the Reform Party, the Bloc—and I particularly mention the Bloc because it has some very strong ideas about ceilings on political donations. This matter is something that needs to be reviewed and examined philosophically. We do not want to make it difficult for politicians to raise money. On the other hand, we ought not to have an untoward advantage. Certainly I would agree absolutely that the books should be wide open on any donations any politician receives.

[*Translation*]

Mr. Antoine Dubé (Lévis, BQ): Mr. Speaker, I heard the hon. member for Wellington—Grey—Dufferin—Simcoe talk about possible cuts to the funds given to what he calls interest groups. However, his list of organizations contained a large number of what I would call community groups, which the hon. member urged to put greater reliance on fundraising. I feel that he is very sincere and that is why I will ask the following question. At the

very end of his speech, he addressed the issue of political party financing.

• (1640)

As you know, political parties in Quebec are currently financed only through individual donations, although in Canada, any corporation, union or group has the right to contribute to the financing of federal political parties. They make fairly large contributions. However, we in the Bloc Quebecois have decided not to rely on donations from corporations, businesses and special interest groups, because of Quebec's Bill 2 respecting political party financing as it was then called.

To follow his reasoning, would the hon. member agree at some point to a review of the legislation regarding political party financing in Canada in order to restrict such financing to individuals?

You also know that, at the federal level for example, unlike the situation in Quebec—I am not as familiar with the situation elsewhere—even individuals are allowed to claim tax credits of 75 per cent, which means that the federal government gives $3 for every dollar given by an individual to a political party. Does the hon. member think we could start with political party financing in order to set an example? We should at least restrict financing to individuals rather than to community interest groups which, hit by government funding cuts, also have to deal with reduced social services, leading to an increase in the number of clients.

I would like the hon. member to comment on the advisability of a law restricting political party financing to individuals in order to avoid the abuses that may exist at this time.

[*English*]

Mr. Bryden: Mr. Speaker, I appreciate that remark. I have examined the political donations from the last election campaign for the Liberals, the Reform Party and the Bloc Quebecois. I am aware of who put what money where. The member would find that by and large, corporations are not heavy spenders, at least during election campaigns.

I did find what I thought was a major abuse that would interest my colleague opposite. The New Democratic Party during the 1993 election received $1.5 million from the Canadian Labour Congress which in turn has been a major recipient of government funds for its labour education program.

The member opposite, and I think all members would agree with me, I would be happy to see a law, if we could phrase one, that would forbid special interest groups that receive government funding from passing that government funding on to any political party at any level.

If the member is looking for that kind of review, I would heartily endorse it.

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, the comments of the government member surely cannot go unchallenged.

The member expressed great concern about government revenues supporting labour education with the CLC. The member seems to be totally blind to the government largesse to the banks and vested interest groups through what is called tax expenditures that run into the billions of dollars.

The member took great glee and satisfaction in denouncing Kids Help Phone which helps kids in emergency and suicide situations. Funds are being cut to this organization and that organization, many of which are staffed by volunteers who work hard at what the government should have been doing anyway. However government keeps cutting back and cutting back.

The member took great pride in going after kids organizations and organizations which help the needy and poor. He did not say one word about the tremendous assistance this government and previous Liberal and Tory governments have given to the very wealthy and the very rich. Governments have allowed the Royal Bank of Canada to have millions and millions of dollars in profit and to pay zero amount in taxes. The government allows a teller with the Royal Bank of Canada to pay more dollars and cents in taxes than the bank does. Do we hear one word of protest about this inequity and the unfairness? The member enjoys going after kids and kids' organizations that help the poor, the weak, the sick and the elderly. He certainly does not go after those who are the powerful, his friends, that helped to elect him.

• (1645)

Mr. Bryden: Mr. Speaker, this is well spoken by the member who represents the party—

An hon. member: Oh, oh.

The Acting Speaker (Mr. Kilger): I know the question which the hon. member for Regina—Qu'Appelle raises is important and serious. I am also cognizant of the fact that the hon. member for Hamilton—Wentworth has been interrupted more often than not since four o'clock for various reasons. However, with one minute remaining, I wish the House would give the hon. member for Hamilton—Wentworth the opportunity to respond.

Mr. Bryden: Mr. Speaker, Elections Canada keeps a record of political donations. It is a legal record. We can search as much as we want and we will not see enormous funding from the Royal Bank or any other large corporation to any political party other than the $1.5 million the Canadian Labour Congress gave to the NDP, which is ten times the donation of any organization to any political party.

The Acting Speaker (Mr. Kilger): It is my duty, pursuant to Standing Order 38, to inform the House that the question to be

raised tonight at the time of adjournment is as follows: the hon. member for The Battlefords—Meadow Lake—Medicare.

Mr. Dale Johnston (Wetaskiwin, Ref.): Mr. Speaker, Canadians are a tough breed and it is a good thing. They will have to be tough to face what lies ahead.

Bill C–76 provides for the legal implementation of the measures contained in the February 1995 budget. Among the initiatives contained in the bill is the new block funding plan which will alter the transfer of payments to provinces for health and education. The passage of Bill C–76 will, as well, facilitate the termination of the Public Utilities Income Transfer Tax Act.

Let us get on with it. The House has wasted enough time and taxpayers' money debating measures which are secondary to the main problem in Canada. While the Liberal government directs its energies to useless mandatory gun registration, the national debt steadily rises.

Today the debt stands at $547,758,477,000. That is approximately $39,000 per taxpayer and over $18,000 per capita. Canadians are worried about their future and they are depending on their elected representatives to straighten out this mess. We had evidence of that earlier in the year when the polls showed that Canadians were ready for a tough budget. They recognized that the debt was out of control and expected the Minister of Finance to bite the bullet. Instead, the finance minister's plans were torpedoed by his left leaning cabinet colleagues.

He is not the first to have his plans watered down. In fact, for the last 20 years successive ministers of finance have declared war on the debt and we have not seen any results. One after another they have succumbed to the whims of political fortune. One by one they have shown disregard for the Canadian taxpayer. Now we are so far in debt that our legacy to our children will not be something to cherish. Their debt riddled inheritance will bring them a future full of fiscal instability.

There was a short–lived budget back in 1979 that dared to be different. The new government of the day inherited the leftover Liberal debt and what was then the highest debt ratio among the major industrialized countries. Some things never change. Canadians saw what happened to that government. It started to put its fiscal house in order. The Liberals defeated that budget and the rest is history.

• (1650)

In 1980 the Liberals regained power and allowed the debt to escalate. When they finally were defeated in 1984 the Tories, who learned their lesson in 1979, took a vow never to be so fiscally responsible that it would jeopardize their power.

In the end, this philosophy helped to bring about not only their defeat but their unprecedented drop into oblivion. Today, even the Canadian economy is sinking faster than that 1979 budget. The Minister of Finance refuses to predict when his budget will be balanced. He continues to talk about balancing the budget but he does not tell us when.

Interest costs on the debt continue to grow. Inevitably this will result in a loss of security for Canadians, robbing them of an independent future. The minister made sure he could meet his deficit target by using what most economists consider to be conservative assumptions.

He is instituting new rolling two–year targets, whatever that means. That way he can change the target as the interest rate fluctuates. He padded his budget with enough hidden taxes to ensure that there would be sufficient tax revenue growth over the next two decades to allow him room to meet his deficit targets.

The bill, as I mentioned earlier, will terminate payments made under the Public Utilities Income Tax Transfer Act. This is one of those hidden personal taxes found in the budget. It is a selective tax on the people of Alberta, Nova Scotia, Newfoundland and Yukon, but particularly Alberta.

It is estimated that the average Albertan could lose $70 per year in disposable income as a result of this measure. The village of Warburg, which is in my constituency, estimates that the cost to the village will be $4,000. One might say that this is a rather insignificant amount but it is not. It is a 10 per cent increase. When one factors in the impact of the current belt tightening by other levels of government, it adds to the increased costs facing small municipalities in Alberta that are still the backbone of the rural areas.

Why would the government single out these provinces for tax increases? How can one province be taxed and not another? Is this the Liberal version of fairness? Even though Alberta will bear the brunt of the tax, we can only assume that there was nothing untoward in the minister's decision. It is hard to convince residents of Alberta otherwise, especially after they have heard about the study conducted by the University of Calgary economist, which was reported by Canadian Press on Monday.

That study not only confirmed that Quebec was the biggest net winner from Confederation but it also confirmed that Alberta was the biggest net financial loser. Between 1961 and 1992, Quebec received some $168 billion more from the federal treasury than it contributed in other revenues.

Over the same period, the taxpayers of Alberta paid $139 billion more into the federal treasury than they received, thanks in part to the national energy policy. It makes you wonder why we in Alberta want to stay and why they want to go.

We would like to be treated equally but the government seems to have other ideas. It continues to seek out new ways to tax us. Even with the new creative method of deficit accounting and other moneys generated from the budget, the deficit target of 3 per cent of GDP is still far from adequate.

While 3 per cent of GDP would be the lowest deficit in 20 years, it is irrelevant when one considers that the net federal debt has risen to 73 per cent of GDP. Despite the federal reductions outlined in the budget, we cannot hide from the problem of increasing debt.

A year from now the debt will be in excess of $600 billion and the interest on the debt is expected to go up by about $8 billion to top the $50 billion mark.

• (1655)

When the Prime Minister boasts about the 3 per cent deficit target, all he is really saying is that the growth of the debt will be slowed. The debt may grow at a slower rate than it did in the past. That is not really anything to boast about when one considers that the $42 billion spent on interest payments is $4 billion higher than a year ago.

What is the reason for that jump? It is the $2.5 billion for interest on the new debt that has accumulated. Our past deficit now requires interest and it is the $1.5 billion for which higher interest rates are responsible. Program spending will only be reduced by some $12 billion over the next three years while the interest charges will grow by $13 billion. We are not gaining. We are paying more and getting less.

The reality is that Canada has a debt problem, not just a deficit problem. The government was elected 16 months ago. How long do we have to wait before it gets on with tackling the problems of the 20th century? The debt clock is ticking and the Liberals are still fiddling. Someone should tell them that they do not have a lot of time left. Canadians know all too well that if a government does not address these sorts of problems in the first two years of its mandate, it is not likely to implement any difficult decisions in the face of an impending election or in the last half of its mandate.

Canadians are demanding action. They want government and politicians to be accountable. If the government shunned traditional Liberal practice and did the right thing for Canadians, it would find those very Canadians willing to support it.

The problem is that the Liberals do not have a plan to take Canadians to their ultimate goal of deficit elimination and tax reduction. They do not have a plan to solve the labour disputes over a long term. They do not have a long term plan to reform social programs. That is particularly obvious when one looks at the new Canada health and social transfer act. This is the much touted initiative that rolls established programs financing and the Canadian assistance plan into a new block funding arrangement.

The idea may have some merit but it presents more than one dilemma for the provinces. There are no financial projections, for one thing, beyond 1997–98. How can provincial finance ministers make their fiscal projections for the future with any degree of accuracy if they do not know how much they can expect from the federal government?

Canadians want to see some light at the end of the tunnel and they do not want it to be the headlight of an oncoming train. They want to know that the fiscal sacrifices that they have to make will not be done in vain.

That is why the Reform Party took the unprecedented action of presenting a budget that explained how the deficit could be eliminated in three years. It is too bad for Canadians that they elected a government that lacks vision. The only solution the government can come up with is to drop everything on the provinces. We do not think that is fair. By transferring additional tax points to the provinces, our plan offers them a dependable, growing revenue base to fund health and education over the long run.

As a farmer, I have come up with a way to explain the difference between the Reform Party and either the block funding proposal or the existing arrangement. This does not involve teaching a person to fish or giving him a fish. It involves a chicken and an egg.

Under the existing arrangement, the federal government keeps the chicken and gives the provinces a dozen eggs. All the eggs have strings attached. That means the federal government can unilaterally make the decision to give less eggs to the provinces.

The Canada social transfer involves giving the provinces a carton of eggs with one or two eggs missing and still with strings attached to the carton. The federal government continues to hold the chicken and can continue to remove the eggs from the carton it sends to the provinces.

Neither of those situations sound like perfect situations. The Reform Party proposes to give the provinces the chicken.

• (1700)

The government budget tells the provinces their transfers will be cut. We would work with provinces to develop national standards for health care and education. The Reform taxpayers budget showed with reasoned determination Canadians can emerge from the tunnel into the sunlight. The Reform budget offers Canadians hope for the future. Under our plan there will be enough money to support those who are unable to help themselves.

The real threat to social programs is the failure of the Liberal government to control the deficit and the debt. The government will do and say anything to prevent Canadians from realizing this fact.

Reform wants Canadians to know the real facts about the future. This is 1995 and the Liberals are still trying to come to grips with the 20th century while Reformers are planning for the 21st century.

For instance, social security has always been provided only through the delivery of costly bureaucratic centralized government programs and agencies. If the government does not come to grips with this program now social programs will not survive this century.

Reform's vision for the future of social programs contains ideas which will generate affordable, cost effective and people effective programs that will provide greater personal security and freedom from dependence on government for all Canadians.

At the heart of Reform's new social vision for Canada is the concept that we can get more social security for dollars spent by changing the division of responsibility between Canadians and their governments. The Reform budget proposes to balance the budget in three years. The Minister of Finance continues to duck the issue. He knows at the rate he is going he will never bring in a balanced budget. A balanced budget is not simply an end in itself, but a means to an end. It is the first step in building a strong, vibrant economy for future generations.

The Reform budget offers hope for the next generation and a chance to escape from the burden of debt. If quick and decisive action is taken sooner rather than later the impact on employment will be minimal and measures will lead to more permanent positive employment for Canadians than the red book plan of slow deficit reduction.

It is inconceivable how the government could ask Canadians, who have the fastest growing personal tax burden in the industrialized world, to shoulder the burden of deficit reduction without first putting its own house in order.

Last month the government announced an agreement had been reached among Liberal MPs to reform the gold plated MP pension plan. The only really good aspect about the plan was the opting out provision and that provision was intended to pit one Reformer against the other and split our caucus.

I cannot deny that was the strategy but it did not work. It did not work and this Reformer cannot wait for a chance to opt out of that plan.

The government made sure that senior Liberals and youthful cabinet ministers will be protected. At the end of their days here they will receive cash for life courtesy of the beleaguered Canadian taxpayer. The taxpayer can only dream of such financial security. The media charge of a double standard rings pretty true.

Where is the hope? At the rate we are going none of us will live long enough for this mortgage burning ceremony. Canadians are beginning to realize this government is not any better than its predecessors. If the government had any heart, any real concern for Canadians, it would deal with this debt now.

In case there is any question, I will not be supporting the bill.

Mr. Jake E. Hoeppner (Lisgar—Marquette, Ref.): Mr. Speaker, I commend my colleague for a tremendous speech addressing the problems.

I would like to ask the member a question since he is the labour critic. Every time we see our economy picking up and we see a glimmer of hope that we can increase our revenues, management and labour seem to have a fight and we disrupt the economy with strikes or lockouts or whatever. I have a feeling with our being involved in transportation if we do not settle this issue very soon our transportation system will not be even able to deliver eggs to the provinces, never mind the chicken.

• (1705)

How would the member address this, because I think it has to be addressed?

Mr. Johnston: The Reform Party has introduced in the House a private member's bill dealing with final offer arbitration. It has come to the point, particularly about the sort of disputes my colleague is talking about, at which labour and management have come to rely on back to work legislation. It has therefore become an impediment to the collective bargaining process rather than something that would enhance it.

When the parties are this far apart for 25 months, as we have seen in this past dispute, it is a very good indication they are relying on back to work legislation. Labour knows it will not be out for eight months. It might be out for only eight or ten hours before Parliament starts to talk about back to work legislation. Management also has the same assurance.

There is really no incentive for them to get their positions closer together in real down to earth bargaining. The bill soundly defeated in the House I would appreciate seeing come back from the government side. I hope the Minister of Labour would come up with some similar legislation as as a tool for both labour and management to get them to sharpen their pencils, get their positions as close together as possible. At any time one party or the other could ask an arbitrator to step in and select all of one position or all of the other position. That would encourage the two parties to get as close together as they could in their negotiations on their own.

[*Translation*]

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, it is with pleasure that I rise today to participate in this debate on Bill C–76, an act to implement certain provisions of the budget tabled on Parliament on February 27, 1995.

In fact, many of the proposals contained in the excellent budget tabled by the Minister of Finance are reflected in this bill. We can see how the budget will be implemented as tabled and approved not only by the vast majority of the hon. members of this House, but also by a large proportion of Canadians.

[*English*]

We are dealing with the bill today but we are also dealing with a motion brought before the House. The bill today is to put in place the budget which has received widespread support from the Canadian public. If members want to know how widespread that support is, I will tell them.

Gallup Canada says the budget is the most popular in all its years of budget polling. This is a record budget in terms of popularity. Roughly half of Canadians, 49 per cent, who are aware of the recent federal budget believe it will strengthen the economy according to a recent Gallup poll; 38 per cent believe it will not strengthen the economy. Almost 50 per cent more think the budget will create more jobs than those who think otherwise. This is the opinion of Canadians. This is a valid opinion.

Let us listen to what many experts say. I do not mean members of the Reform Party, I mean real experts. Jason Myers of the Canadian Manufacturers' Association said: "I am impressed. I applaud the Minister of Finance for what he has done".

• (1710)

[*Translation*]

"This is a good budget", said Ghislain Dufour, from the Conseil du patronat. My friend across the way will understand what I have just read.

Mr. Duhamel: Our two friends across the way will be delighted to hear that.

Mr. Boudria: All our friends across the way will. I will not say how many, because that would point out to the presence or absence of members. That is why I will just say "all our friends across the way", out of respect for the authority of the Chair and all parliamentarians.

Let me quote another distinguished Canadian: "This is a real budget built on real measures", said Michel Audet, the president of the Province of Quebec Chamber of Commerce.

[*English*]

Now let us hear more about what Canadians said about this budget. Sherry Cooper, economist at Nesbitt Burns, said it is a terrific budget, there is no smoke and mirrors. I am not quoting the Reform Party MPs here. I am quoting real, knowledgeable people. There is a difference.

Lloyd Atkinson of MT Associates: "This is one of the few budgets I have seen in a very long time where the promise was matched by the reality".

Stephen Van Houten of the Canadian Manufacturers' Association: "This is really the first serious attempt at deficit reduction we have seen in this country in a long, long time". Even Reform members could agree with that.

John Bulloch of the Canadian Federation of Independent Business said the Minister of Finance has the biggest job ever and he came through. Jeff Gundy, an economist at Wood Gundy, said the minister has more than met if not exceeded market's expectation.

When does a budget get this kind or praise? Seldom if ever. This kind of praise has probably not been heard since the last time there was a Liberal government. It certainly was not heard when the Tories were in power.

Let me tell members what the budget does and what we are striving to do with the bill. We are talking about deficit reduction. We are talking about reducing our deficit to 3 per cent of GDP as we promised in the red book and to further reduce it to 1.7 per cent of GDP. We will continue in that line of progress because we as Liberals are committed to doing things right, and we will. We are committed to doing things fairly, and we will.

[*Translation*]

We are also talking about spending cuts in this budget. We made a promise and, once again, we delivered the goods. We had promised to reduce the budget through expenditure restraint and, for every dollar in new tax revenue, there will be seven in reductions in this budget. Bill C–76 seeks to implement these reductions and implement this budget the Minister of Finance has given us.

At the risk of displeasing certain hon. members opposite, I must say that this budget is very popular with the Canadian people.

[*English*]

Notwithstanding the immense popularity of the budget, Canadians want us to move ahead to cut the costs and save taxpayers dollars in the way we on this side of the House want to.

[*Translation*]

An amendment to the bill was just moved. It reads as follows: "That Bill C–76 not be read the second time now, but rather in six months time". According to the hon. member opposite, a budget enjoying that much popularity should not be read the second time. It makes no difference to him that Canadians want this budget passed, the Bloc member does not want it. And because he does not want this budget, he is saying: "Never mind that Canadians want this budget, they will not have it. Too bad".

• (1715)

This shows a lack of respect toward Canadian voters who want this budget to be implemented immediately, as the hon. member for the riding of Ontario said it so eloquently.

Canadians want this budget passed by the House.

[*English*]

Earlier today an official from the Department of Finance was telling me it would cost millions of dollars a week if we did not have the bill passed by the end of June. Millions of dollars a week would not be saved. Millions of dollars a week which we promised Canadians we would save would not be realized if the House does not adopt the motion today.

That is what the Bloc Quebecois is asking us to do, not to read the bill now and to do so six months hence; not to save the millions of dollars we want to save, not to have the cutbacks in expenditures we want to make and not to reduce the deficit in the way we are trying to do. That is what it wants. It does not want us to succeed. It wants us to fail.

Why does it want us to fail? I do not understand. Why would any hon. member in the House not want the budget to go ahead? I cannot understand it at all.

[*Translation*]

As for Reform Party members, they want the budget to include more cuts. As you know, they also wanted to eliminate old age pensions. You cannot trust these people. We, Liberal members, want a budget which is realistic, fair and equitable. It was not easy to draft this budget and it will not be easy to implement it either.

However, Canadians realize that this budget is fair. They are saying: "We may have to tighten our belt, but so will everyone else, including the government, the private sector and others. Since this is a joint effort for the good of our country, we are prepared to do it". So, everyone is prepared to make a sacrifice, except Bloc Quebecois members, who want to table a motion to put the Minister of Finance's budget on the back burner.

I say to the members of the Bloc: go to your ridings and ask your constituents if they oppose the budget tabled by the Minister of Finance in this House, on February 27. As I said earlier, the overwhelming majority of Canadians will tell you that this is a very good budget.

Let me give you a few statistics about the budget. Again, this is from Gallup Canada. Just listen, you will see how positive the reaction was to this budget. "In 1985—during the Mulroney years—28 per cent of Canadians felt that the budget would get the economy back on track, while 47 per cent did not think so". In other words, Canadians opposed that year's budget in a proportion of two–to–one.

Let us now go 1989, for example, when the Leader of the Opposition was a Conservative minister. In 1989, 26 per cent of Canadians felt that the budget of that year would get the economy back on track, while 53 per cent did not think so. Did the hon. member for Lac–Saint–Jean vote against that budget? Of course not. He supported it, even though more than half of all Canadians opposed it.

Today, 49 per cent of Canadians feel that this budget will get the economy back on track, while 38 per cent do not think so. There are a lot more Canadians everywhere who think that this budget is good. It was well–received, even in the riding of the member opposite. Yet, what does the Bloc Quebecois propose today? It proposes a motion which, again, reads: "That Bill C–76, an Act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, be not read a second time but that it be read a second time this day six months hence".

• (1720)

It seems that some members of the Bloc Quebecois feel they should support a budget if the public is against it and condemn the budget if the public supports it. Does that make sense to you, Mr. Speaker?

This is Bloc logic. They do everything in reverse. Just Bloc logic. Well, I think the hon. member should listen to what Canadians are saying, and I see there are more and more of them who seem to be interested in what is being said this afternoon. More and more people are showing an interest, not necessarily in what I am saying, but in the provisions of Bill C–76. I am willing to bet that many parliamentarians are here to find out why the motion presented by the finance critic for the Bloc Quebecois is wrong, and no doubt they are going to say why hon. member should vote with the government to obtain speedy passage of this bill.

Let the finance critic for the Bloc Quebecois rise in his seat immediately to tell me if I am wrong. Mr. Speaker, as you can see, we have yet to hear from the hon. member, as I speak. Nothing. Complete silence on the other side of the House—

Mr. Dubé: Mr. Speaker, on a point of order. We know the Chief Whip for the government is quick on his feet but I think he knows perfectly well that we cannot refer in this House to the absence of another member, even in jest.

The Acting Speaker (Mr. Kilger): The hon. member for Lévis has certainly raised a very important point regarding the customs and practices of this House, and I am sure that considering his experience, the Chief Whip is very familiar with this rule. He may proceed.

Mr. Boudria: Mr. Speaker, I would never mention the absence of a member, and I would certainly not belabour the point. I will now continue my comments, and I would urge hon. members to listen carefully, because as they probably know, the

vast majority of Canadians support this budget and the passage of Bill C–76.

[*English*]

The last thing Canadians want right now is for us to say collectively that we have a great idea, let us wait six months before passing the budget. Mr. Speaker, could you sell that in your riding? I do not think my constituents would be convinced, after telling them a month ago that we have a budget, if I said now we have changed our minds and we will not implement it for six months. That is what the Bloc Québecois wants us to do.

I will wait to see how the Reform Party votes on Bill C–76. That will be interesting. Will its members vote to delay the cost cutting measures for six months, thereby further increasing the deficit? That will be an interesting. We will find out in a few days.

Assuming the amendment of the Bloc Québecois is defeated, will Reform members vote against cost cutting, saving taxpayers dollars and trying to put the economy back on track, as we have been doing and will continue to do through Bill C–76? That is the challenge right now. I will bet there are some Reform members caucusing as we speak, discussing this important issue. If they are not caucusing because they are all here in the House, perhaps after we adjourn tonight they will caucus. Perhaps the leader of the Reform Party and other Reform members will have a caucus to discuss how they will vote on Bill C–76.

I can give them advice. The so–called budget they presented to Canadians would have been a disaster. What they wanted to do was cancel pensions for virtually all seniors. That is not the way to go. The numbers which did not add up in their budget are not the way to go.

Mr. Penson: Where is your plan?

• (1725)

Mr. Boudria: Our plan was tabled in the House on February 27. Our bill is right now before the Canadian public, Bill C–76.

We know where the Liberals stand. We know the Liberals want to reduce the deficit, put the economy back on track, restore integrity in government, like we said we would do in the red book and like we are delivering.

We want to know which side the Reform Party is on. How will it vote on the amendment not to have these cost cutting measures? Will it vote for the amendment, thereby depriving Canadians of these cost cutting measures? Will it support the Bloc Quebecois?

On the other hand, once the amendment is disposed of will it vote with the Liberals as an effort to join all Canadians or at least the vast majority in terms of putting in place these budgetary measures? Will it again vote not to cut the deficit the way we want to do, presumably meaning it does not want for the deficit to be cut?

I am proud to be voting for Bill C–76, although not because it is the sweetest of medicine. Some of the measures are not the sweetest of medicine. Some of the measures are strong but will make the patient, the Canadian economy, better in the short run and in the long run.

If we can do that working together to make the economy better, we can provide jobs for a large number of Canadians. That is why we were sent here.

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, I will try to explain, as requested by the hon. member in his speech, why our motion asks for a six–month's postponement for this bill.

Quebecers and Canadians are starting to realize what this budget is about and to notice the very real impact of this budget and the severe cuts it contains. Let me give a few examples. I was told earlier that the people in my riding and other ridings in Quebec agreed with these cuts. So what are these people doing? They call us to ask questions about certain decisions. I intend to ask the hon. member about that.

First, they decided to cut funding, without prior notice, to all agencies engaged in international co–operation, across Quebec and across Canada. No more money will be given to international co–operation agencies. Why did they do that? Because they want to keep them from making a connection between poverty in the South and poverty in the North and from realizing that they will have to develop some kind of solidarity between the two, because this government has no truck with solidarity. All it does is increase the gap between rich and poor, and that is what the members of an agency in my riding called CREM are starting to realize, and there are plenty of agencies like that across Canada.

Another example. They decided to cut all experimental research on sheep. All ovine research in Canada, some of which was being done at the Experimental Farm in La Pocatière, for an industry that is developing rapidly, now that sheep growers are increasing market share in Canada. It is now 25 per cent. It has been going up for several years. They say that the funding freeze will save money in the short term. The result: no more research and development, which means that people in Quebec and Alberta who raise sheep will have to go it alone. It is no longer the government's business. And you call that useful cuts and the right thing to do? Maybe you should have taxed the banks first.

I have another example, and I would appreciate your comments. The latest news is the decision to make cuts at Canada Employment Centres: terminals instead of people. Do you think that is a wise decision? Would you not agree that a six–month postponement is a good idea after all?

Mr. Boudria: Mr. Speaker, the hon. member opposite ought to know that his colleague, the same one who a little earlier today, and I can see him, moved a motion not to proceed with this bill, said many weeks ago that he wanted to cut what he called fat in government, a kind of shapeless mass, according to

the hon. member, as if there were this huge mountain of fat we could cut into.

Government is not like that. I was a public servant for years, and that is not how things work. When cuts are made, it means something is taken out. There is no such thing as cuts that are not felt.

Of course, if we try to save money, we have to cut services. What we have to do now is do our very best to put the economy back on track. We have made a good start: 421,000 new jobs since this government came to power, and this is only the beginning. Things are going to get better all the time.

[*English*]

The Acting Speaker (Mr. Kilger): If I may be allowed a personal opinion, I wish we could go on.

It being 5.30 p.m., the House will now proceed to the consideration of Private Members' Business, as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

CHILD CARE EXPENSE DEDUCTION

Mr. Paul Szabo (Mississauga South, Lib.) moved:

That, in the opinion of this House, the government should amend the Income Tax Act to extend, subject to a means test, the child care expense deduction to all families.

He said: Mr. Speaker, Motion 339 is a simple statement which involves matters which will have more influence on the future financial health and welfare of Canada than any other matter that the House will ever deal with. Motion 339 in the first instance has to do with an income tax matter. It has to do with the child care expense deduction.

I raise this issue for two reasons: first, with regard to the fairness and the equity of our income tax system, and second and most important, the implications to the family.

The child care expense deduction is available for an eligible child, the child of a common law spouse whose income did not exceed the basic personal exemption and who was under 14 years of age, unless they had an infirmity. That deduction is available to Canadians when both spouses work and earn income or they take an occupational training course where there is a training allowance paid or where they carry on research where there is a grant paid. The essence of the deduction is that if you earn income that benefit is available to you.

The deduction is claimed by the lower income earning spouse but there are special circumstances under which the higher income earning spouse can make that deduction. I will not get into that.

The gist is that the deduction is available to two spouses. If the child is under seven years of age, the deduction is $150 per week. For those between the ages of seven and fourteen it is $90 a week. The claim is made by a supporting person. The amount of the deduction for a full year for someone who has a child up to seven years of age is the actual amount paid for child care expenses or two–thirds of the earned income of that person claiming the deduction or $5,000.

The maximum deduction available to Canadians is about $5,000 per child under seven, $3,000 for a child over seven and under fourteen years of age.

The issue from a tax perspective is related to the discussion about what is an income tax deduction and what is an income tax credit. The way the tax act is presently structured the child care expense deduction is deducted from one's other earned income to determine the net income and ultimately the taxable income. Because it is a deduction, it means that the higher the personal income and the higher the tax bracket the more valuable this deduction becomes.

• (1735)

Let me give an example. If a taxpayer makes $25,000 and sends a child to a child care institution at a cost of $5,000 per year, the tax refund would be $1,368. If another family where the lower income earning spouse is earning $10,000 more or $35,000, the tax refund for the same child care expense, at the same institution and at the same cost would be $2,093. That is $725 more because a person is in a higher tax bracket than another taxpayer. If that lower income earner were in the highest tax bracket of Canadians, the refund for that $5,000 of child care expenses would be $2,659.

To summarize, a taxpayer earning $25,000, spending $5,000 on child care expenses gets a 27 per cent refund of those expenses, while someone at the highest tax bracket gets a 53 per cent refund for the same amount of expenses. This is what I referred to as the inequity or the fairness issue with regard to motion 339.

My proposal would be that the deduction be converted to a tax credit. It is similar to the tax credit that all Canadians get for their basic personal amount and would be exactly the same for all Canadians. It is at 17 per cent or whatever the value. For instance, on charitable donations we have a graduated tax credit being 17 per cent and rising to 29 per cent.

The tax act has ample evidence of tax credits that would allow Canadians to share the same benefit regardless of the level of their income.

The second element of the motion refers to a means test. We have a number of social programs that are subject to a clawback or the so–called means test. The guaranteed income supplement is subject to a means test. Old aged security is subject to a means test. Once the income of the individual recipient exceeds $53,215 there is a clawback at a rate of 15 per cent.

Unemployment insurance benefits paid by the Government of Canada are also subject to a means test which is 30 per cent of the social benefit paid or the lesser of that or 30 per cent of the excess over a threshold of income.

The child tax benefit is available to all Canadians at $1,020 per child. There are some additional amounts for the third child and also some other amounts with regard to whether or not one has claimed a child care expense deduction. That also is clawed back depending on the level of family income. The means test is directed to ensure those benefits are available to those in most need.

The old age exemption under our present tax act, pursuant to the last budget, is now subject to a means test. For taxpayers who are eligible for that exemption and have income over $25,921, there is also a a gradual clawback. Canadians will have no objection to making deductions fair for all, particularly when they are focused primarily to those in legitimate need.

Having dealt with the tax issue, I want to spend the majority of my time dealing with the big issue, the family, and specifically the importance of early parental care.

I want to refer to the Ontario premier's council on health and well–being and social justice: "Critical development outcomes are rooted in early experience and influences. These outcomes include good physical health, the ability to learn, the ability to cope with stress, being able to relate with others and to have a positive self–esteem. A secure attachment to a nurturing adult is essential and who better than one of the parents to provide that care".

• (1740)

Recently Dr. Robert Evans published a book called *The Determinants of Health*. In it he related the results of a 19 year study in the U.S. The study looked at the implications of good child care in the first three to five years. Just to give an example, he showed that those that had good quality parental care in those early years had a 50 per cent lower incidence of mental problems; 40 per cent fewer went on welfare and 50 per cent fewer teen pregnancies in the group that had quality child care.

I also look to the United States and a book called *Children First* by Dr. Penelope Leach. She writes that children have become of secondary importance in our society and concludes that our priorities must shift. Her primary conclusion and recommendation are that parents must put the interests of their children ahead of their own.

Looking to the Canadian position, Dr. Don Ogston, director general of social development and education of Human Resources Development Canada wrote in January 1995: "It is undeniable that the early years are critical for the social, emotional, physical and cognitive development of children. Clearly the quality of care children receive during these years is of paramount importance".

Looking further for more recent research, I turned to the University of Calgary and a study done in 1994 by Violato and Russell. I want the House to know that this research has been characterized by some as bogus. However, I welcome that kind of reaction because it means we are getting close to changing the view that Canadians may have with regard to direct parental care.

This study was called a meta analysis of published research of all studies conducted on this matter throughout the world on this subject since 1957. Non–parental care was analysed for any influence on child bonding to parents, social–emotional development, behavioural adjustment and cognitive development. The results in this study was that: "Non–parental care for more than 20 hours per week has an unmistakably negative effect on the social–emotional development, behavioural adjustment and childhood bonding. A minor negative influence was found in the cognitive realm".

They also found that the day care quality, the family structure, the age of entry into the child care and the socioeconomic status were found to be negligible influence factors.

Follow–up research on this was conducted by Dr. Mark Genuis, the executive director of the National Foundation of Family Research and Education. In 1994 at the University of Alberta in his doctoral dissertation called "Long term implications of insecure attachment in childhood" his study looked at the impact of non–parental care on the security of child bonding with parents.

The results of the study showed that insecure bonding to parents prior to age 10 is a direct cause of emotional and behavioural problems in adolescence as well as on youth crime. Regular non–parental care prior to age five was a significant predictor of insecure attachment. The place and the caregiver made no difference to the conclusions reached. The deciding factor influencing the security of bonding to parents was the regular separation from those parents, not the place or the type of care when separation occurred.

This kind of research flies in the face of some of the traditional thinking and the conventional wisdom we have been hearing all these years. It has struck a nerve. However it is an important observation that these studies have raised the debate to a new level to take into account the realities of our society.

I spoke in the House on a couple of occasions on the subject of the incidence of teen pregnancies in our country. Canadians will know, for instance, that President Clinton of the United States said during his state of the union address that there was an epidemic of teen pregnancies in the United States.

• (1745)

Canada is not insulated from these occurrences. As I reported to the House last year, over 20,000 women between the ages of 12 and 19 gave birth to children out of wedlock. They decided to raise their children. Most of them have not finished school and for the most part become dependent on subsidized housing and welfare. Their offspring are at higher risk of being premature or low birth weight. They are more likely to experience difficulty in school. Their children are more likely to become single parents. It certainly is an indication of some of the things that are happening in society.

Canadians should know that the rate of youth crime has increased 35 per cent since 1986 and 46 per cent of cases in court are repeat offenders. With these kinds of results Canadians should ask whether we are a contributing factor to that social behaviour.

I must ask a rhetorical question. What has become of the traditional family? Is it really up to governments to take responsibility for the future development of our children? Who would dare say that a stay at home parent caring for preschool children does not work?

Back in 1961, 65 per cent of families with preschool children had one parent in the home. Thirty years later in 1991 the number had reduced to 12 per cent. Some would say this is an attempt somehow to suggest that women should stay at home and have children. The old cliché may be that a woman's place is in the home, but the new reality is that the woman's place is where she wants to be. Seventy per cent of preschool children are now in non–parental care arrangements on a regular basis while their parents work.

We do have working poor. Many second income parents are earning in the range of $20,000 to $30,000. After child care expenses and the costs of employment their take home pay is so small many are asking why they are doing it, why they are doing it to their families.

In 1971 a Decima poll indicated that 70 per cent of working women would stay home or choose to provide direct parental care if they could. That was updated recently by the Angus Reid organization in June 1994. It reported that 68 per cent felt that the best way to raise children was with one parent at work and one at home.

Back in October I introduced private member's bill C–256, the purpose of which was to allow the splitting of income between parents, to allow them to free up jobs, to create child care spaces and to provide the choice to parents who were asking: "My net take home pay is so small why am I doing this?" The issue was not to compel behaviour but rather to allow the behaviour to flow naturally based on strong social and family values.

Governments do not raise children; people do. The government must take notice that the family is very fragile and vulnerable. It needs the government's support to ensure that our children, who are our future, will be able to achieve their full potential in the best country in the world.

Good people do not have to do bad things to create a bad society. They just have to stop doing good things and the bad will quickly fill the void. An investment today in our children is the best investment that we can make for the future of all Canadians.

• (1750)

[*Translation*]

Mr. Paul Crête (Kamouraska—Rivière–du–Loup, BQ): Mr. Speaker, who could not agree with the motion introduced by the hon. member for Mississauga South? The only question we can ask ourselves is why did the government not include this proposal, which had already been introduced in the form of a bill, in its annual budget review? Why did the government leave this out of the budget, since the aim of the motion is to recognize the contribution of the stay–at–home spouse in families who choose to take care of their children at home instead of sending them to day care so that both parents can work?

I do not think that anyone could be against providing equal treatment in the tax system for parents who want to stay at home and take care of their children. I repeat that it is quite surprising that the government did not already include such a measure in this year's budget.

But, when we reflect on the issue, it becomes quite obvious that this is part of the government's logic. A government that reneges on its promises regarding the child care services and the day care spots it was to offer Quebecers and Canadians is not interested in offering this kind of equality to spouses.

Let us be clear, however. In supporting this kind of motion we are not saying necessarily that we wish to promote the traditional family model. A family in which children can be raised the traditional way and receive all the education and training and in which you can participate is great, of course. But other types of families can be just as great and we must ensure that they have an equal opportunity to give their children a good education, have access to adequate daycare and can make the choices that they consider the best under the circumstances.

I think that the motion before us gives us food for thought concerning a basic element of our society. children, as well as the way they are raised, the tools they need and how we will let them develop in our society. What the hon. member is trying to do is to encourage the government, first with a bill and now with this motion—and I can only commend him for his tenacity—to allow parents to make a choice, with respect to child care, based not strictly on financial considerations, but rather on educational considerations. It would also allow either parent to stay at home to raise the children and instill in them the values that they deem appropriate. Parents could make this choice without

being penalized by the tax system. As has been explained, this is the case at present and that puts us in the untenable position where parents are better off paying for child care outside their homes.

At the same time, they have to put up with many other drawbacks because of this, but they cannot afford to make other arrangements. I believe that the measure before us is interesting from that angle.

However, we have to wonder about the government's attitude vis–à–vis all the measures which would promote family life, children's development, formal education, job opportunities and, ultimately, a satisfying life. Is it normal that a government member, in particular, would unsuccessfully table several motions of this type to integrate such a measure into the government's policy? This makes us wonder about the true values of this government.

Given the costs involved, it is obvious that the government could have drawn the necessary money from the banks' profits, among other sources, to finance such a measure.

Does the government not realize that the short term costs of this measure would have major long term benefits, even from a financial point of view? Indeed, there would be many fewer problem cases and curative measures involving children who did not have a fair opportunity to get an education allowing them to thrive and to achieve?

I think that the motion put forward by the hon. member should make all Quebecers and Canadians think about fundamental family values. These values have taken a beating in the last 10 to 15 years. They did not necessarily change as a result of popular will but much more because of a lack of real government action.

When we think about the commitment by the former Tory government and the current Liberal government to put in place a national child care program, a commitment which was rejected and forgotten in both cases, it is a little insulting, especially to women since they are the ones who look after the children in most cases. This does not mean that it should remain that way, but the fact is that women continue to bear most of the responsibility for child care.

It is a little disappointing that other measures are considered to be more important, that we do not feel obliged to meet our commitment to human development, which is the real fundamental criterion for evaluating a society.

We are more sensitive to the lobbying efforts of those who finance our election campaigns than to the representations made by people who simply aspire to a decent life, a balanced family life and development opportunities for their children. When we question people in our ridings, we realize that such concrete measures would make a difference.

In conclusion, I think we can say that the hon. member's motion is interesting, that she shows tenacity. I invite her to ask her government why this matter was not included in the budget currently under discussion.

• (1755)

[*English*]

Mrs. Rose–Marie Ur (Lambton—Middlesex, Lib.): Mr. Speaker, it is with a great deal of pleasure that I rise in the House today to speak on Motion No. 339 sponsored by my friend and colleague, the member for Mississauga South.

The member has been in the forefront throughout the 35th Parliament attempting to convey the value of work in the home and the importance of building a strong relationship with our children during the formative years, a value I too strongly support.

Families are changing in the riding of Lambton—Middlesex as they are throughout Canada. We all recognize that. According to the figures supplied by the Vanier Institute of the Family, a national voluntary organization dedicated to promoting the well–being of Canadians families, no one type of family dominates the statistics today as did the single wage earner family of the 1950s. There is now a large majority of husband and wife families that rely on two incomes.

We tend to forget that the typical nuclear family composed of married parents with their children continues to be the norm in Canada. The figures might be decreasing but they still represent 52 per cent of all families, according to the Vanier Institute.

As the mass media concentrate on the trials and tribulations faced by families, the life of a two–parent nuclear family is often taken for granted.

Yet one easily forgets that today's family must cope with a host of external influences and the social, economic and psychological upheaval encountered in contemporary life.

• (1800)

The nuclear family has a relatively short history in our society. Its model was forged in Victorian England when the upper middle class women could afford to stay at home to raise their children while other families looked up in envy.

After World War II when women were no longer needed in the labour force, the lifestyle of the nuclear suburban family became idealized, especially in the industrialized society where the growing network of highways offered easy mobility. Extended families with a live–in grandma or auntie became the exception. Families have never been static throughout human history. They have stretched, expanded or contracted, depending on the culture, the economy and the times.

In recognition of certain shortcomings experienced by millions of families in Canada, Motion No. 339 solicits the opinions of members of this House to agree with the proposition that the government should amend the Income Tax Act to extend, subject to a means test, the child care expense deduction to all families, and I stress the word all.

Presently the child care expense deduction is enjoyed only by those families that can afford the thousands of dollars every year that are necessary to pay for private day care for their children. Most families do not have the disposable income to pay upfront money for private day care and as a result do not qualify for the child care expense deduction. Instead they have to find alternative means or put their names on long waiting lists in the hope they might be lucky enough to be granted a subsidized day care spot for their children.

That is unfair. Why should some parents continue to have the luxury of writing off child care expenses while the majority of Canadian families have to scramble to find some means of ensuring that their children are well looked after while the parents go off to work each day? I find it hard to understand that the child care of those who can afford private day care is subsidized by the country's taxpayers, while the low and middle income earners have to search for alternative means of child care for which they can claim no income tax deduction.

The motion put forward by the hon. member for Mississauga South would address this glaring inequity. By converting the child care expense deduction to a universal tax credit, its value would be the same for all taxpayers rather than favouring one group of wage earners. The benefit would also be subject to a means test based on family income, thereby directing it to those who are legitimately in need of assistance. The introduction of a family income means test would be consistent with the treatment of most other social benefits currently available in Canada.

The third component contained in this motion would result in the extension of the tax credit to families which have one parent providing child care in the home, thereby recognizing the importance and the huge expense of direct parental care.

I mentioned earlier that the hon. member for Mississauga South has been working tirelessly during the 35th Parliament to try to effect changes to the Income Tax Act which would result in an end to the ongoing tax discrimination against families with one parent at home caring for preschool children.

In June of last year the hon. member for Mississauga South tabled Bill C–256. This private member's bill called upon Parliament to amend the Income Tax Act to permit one spouse to either split or pay up to $25,000 to the other spouse who was managing the family home and caring for at least one dependent child who had not yet commenced full time attendance at school.

Despite the substantial interest in the bill among members of Parliament, the media and thousands of Canadians across the country, the Standing Committee on Procedure and House Affairs chose not to designate Bill C–256 as a votable item. Unfortunately, it was talked out last October and did not pass the second reading stage. That is a real pity.

I have often wondered why the bill did not get the support it should have received from the procedure and House affairs committee. I certainly hope it was not because of the perception among some people that a spouse—and here I am speaking mainly of wives—who chooses to stay home to care for her child is somehow not reaching her potential, is not quite up to speed in the 1990s. If that is indeed the case, then I am truly saddened. It is a misguided perception that accompanies that way of thinking.

If we want to address regressive policies, then let us look at the current reality. Most Canadian parents are either unable to find decent child care for their children or simply cannot afford to pay for the expensive private day care that is only accessible to one group of parents. This is not progress; this is an inequity which must be addressed.

• (1805)

One of the benchmarks of a truly progressive public policy is whether or not it introduces an element of flexibility. I mentioned earlier there are various types of families in Canada today. In its conversion of the child care expense deduction to a tax credit that is the same value to all taxpayers, Motion No. 339 would put more disposable income in the pockets of most Canadian families. It would also give them the freedom to explore all sorts of avenues for the care of their children. This is progress.

I believe it is very instructive, and members should know this, that the Department of Finance simply does not have data or dollar figures on the financial hardships experienced by most Canadian households as they attempt to make ends meet and find suitable care for their preschool age children. However the finance department does have precise figures on the 645,000 families where both spouses are working and child care expenses are being claimed.

It is as if only a certain income counts in official stats, while the millions of Canadian parents who cannot afford private child care are simply invisible: you are on your own. This situation has to change. We the lawmakers of this great country have the opportunity to send a message to the Government of Canada that we do indeed recognize the crucial importance of managing a family home and caring for preschool children. Healthy families

become healthy communities and healthy communities build a stronger country.

I heartily endorse Motion No. 339 and I encourage my fellow members to do likewise. Let us take this opportunity to call upon government to pursue progressive policies for the betterment of all Canadian families.

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Mr. Speaker, I rise today to speak in favour of this motion sponsored by the member for Mississauga South. As chair of our party's family task force, I will outline my view on this motion and comment further on the broader issue of child care.

The subject being addressed today is families, the connection which exists through blood, marriage and adoption. It is universal and historically of great significance. It is humanity's most enduring and important institution. It demands the proper attention by legislators in all government policy directions that affect it.

Today we have the opportunity to look briefly at a proposal for changes in our child care policies. I look forward to supporting my hon. colleague in my comments. He has created an idea that seeks to strengthen families. It does so through the effective targeting of government assistance to needy families and the empowerment given to families in choosing for themselves the best caregivers for their children. This should and does include the option of overt government recognition and support for families that choose to care for their own children.

I could be excited about these new directions except as I stand here in the reality of a non–votable one hour debate. How typical of this government's attitude to the importance of family. How typical of this government's philosophy of intervention into even the smallest detail of Canadians' lives. It promotes and defends national day care policies while ignoring the real wishes and potential of Canadian families.

In contrast, the ideas of this brief discussion put forward in Motion No. 339 reflect, I believe, the wishes of the vast majority of Canadians. The motion states that, in the opinion of this House, the government should amend the Income Tax Act to extend, subject to a means test, the child care expense deduction to all families.

The child care expense deduction allows parents to deduct expenses incurred for child care from their taxable income, up to the maximum amounts which vary according to the age of the children involved. For children under the age of seven and for older children with severe disabilities, a maximum of $5,000 may be deducted for each child. For children between the ages of seven and fourteen and for those with modest disabilities, a maximum of $3,000 may be deducted for each child. As a result of the 1992 budget these maximum allowable deductions were increased from $4,000 to $5,000 and $2,000 to $3,000 respectively.

To qualify for this deduction the child care expenses must be incurred by the parents for work which enables them to be employed, operate a business, receive job training, or engage in research activities. If there are two supporting parents, the child care deduction must be claimed by the parent who has the lowest income irrespective of which parent incurred the child care expense.

• (1810)

To support its claim, these expenses must now be receipted in order to verify the expenses incurred and the service transaction between the parent or parents and the caregiver. Finally, the total deduction cannot exceed more than two–thirds of the total earnings.

In 1992 the child care expense deduction cost the federal government some $310 million claimed by 710 individual taxpayers. In effect it is and has been a government subsidy for child care. This motion advocates the targeting of this deduction through a means test.

In the present system, the deduction benefits high income earners proportionately greater than the lower income families. This finding about child care expense deduction was confirmed lately by a human resources committee study of social security programs. For instance, it has been shown that 52,000 taxpayers earning more than $50,000 claimed the deduction in 1991.

In addition, in Port Moody—Coquitlam, the clear choice and preference of parents in my community is to opt for informal arrangements. Those who choose informal child care by relatives, family members or even neighbours suffer against the government assistance given to the typically high income earners using licensed day care.

Reform does not believe that we should increase any expenditure on child care initiatives because of the dire fiscal situation the federal government now faces. To make any promises to do so would be politically irresponsible. To increase expenditures at this time would be fiscally irresponsible.

Our total debt will increase over $100 billion in this parliamentary term. Interest charges now at $42 billion are increasing faster than the savings put forward for instance in the recent Liberal budget, which of course we find completely unacceptable.

Before we spend any more money on child care we should look at measures that would economize our resources allocated to child care. This motion is one such measure because it advocates the targeting of this benefit to those most in need

through a means test. The Reform Party has long advocated the targeting of social program spending to need.

Reform also believes that the role of the federal government should be to offer parents the choice of day care that they believe is most suitable for their particular economic and personal circumstances.

Reform believes that government assistance for child care should subsidize financial need and not the method of child care chosen. Government subsidies should be directed to parents and children and not to institutions, professionals or bureaucrats.

My colleague from Mississauga South has carefully outlined the importance of early childhood care. Conventional wisdom is now being challenged by recent research. There are some very real and valuable reasons for parents to be in the home if possible.

Our responsibility in this place as law makers is awesome. The decisions made here not only create laws but those laws then go on to mould and direct society. We have already seen repercussions of well meaning but ill advised legislation on our welfare system, our unemployment insurance system and our immigration system. Well meaning universal day care is politically correct but is it right?

Recently a human resources committee report suggested that middle class parents should lose child care benefits to free up money to support poorer Canadians. To do so, it suggested phasing out the child care tax deduction in contrast to my colleague's suggestion and diverting that $310 million into an equally universal national day care system.

Here is a clear example of government agenda. As in so many debates in this place, the question is not whether money should be spent but on who should spend it. In this case, do we leave money as in this motion in the hands of Canadians, or do we snatch it back to bureaucrats and commissions with only a fraction returned to the families and communities in the form of national day care? Do we encourage parents to care for their own children, or do we penalize them for making that choice?

The Liberals are saying: "Trust government with your money. Trust us with your children, their education, their assimilation of culture—we will define it for them—and values in our nanny state national day care program".

• (1815)

In this proposal and in our alternate budget Reformers are saying that we should trust Canadians with their own money, trust Canadians to choose wisely what is best for their own families and maximize the dollars available for our most important resource, our children.

The motion today is a small but important step in the direction of recognizing the importance of families and early childhood care in the home. My colleague has put forward a positive proposal that would strengthen families by allowing full choice of child care options. The dedicated mom or dad who chooses to stay home will finally be recognized as a valued and valid caregiver. In contrast, the intention of the government is to ignore such a notion. Its intention is to increase federal involvement in child care and deny families the trust they deserve.

I ask you, Mr. Speaker, as I ask all Canadians who do you trust with your money, your children and your future? Should more of your hard earned money be sent to new bureaucracies in Ottawa, or should it be left in your hands and in your community? Should you or a civil servant instil the sense of place, history or identity in your children?

With my colleagues I call upon government to trust Canadians. I call upon government to rethink its role in society and in our families. I call upon government to empower families to be allowed and encouraged to choose their child care options and then to thrive as a nation with their choices.

The Acting Speaker (Mr. Kilger): Before resuming debate I want to thank the hon. member for Port Moody—Coquitlam in agreeing to the change in the order of speakers to facilitate another member's request. I am most grateful for the co–operation.

Ms. Roseanne Skoke (Central Nova, Lib.): Mr. Speaker, before the House is private member's Motion No. 339 which states that the government should amend the Income Tax Act to extend, subject to a means test, the child care expense deduction to all families.

It is my pleasure to rise in the House today to support the motion and to congratulate the hon. member for Mississauga South for advancing the motion.

The intent of the motion is clear. It is to convert the child care expense deduction to a tax credit so that the value is the same for all taxpayers rather than favouring high income earners. It is to make the benefit subject to a means test based on family income, thereby directing it to those who are legitimately in need of assistance. The change would be consistent with the treatment of most other social benefits.

It is also to extend the benefit to families with one parent providing child care in the home, thereby recognizing the social, economic and moral importance of direct parental care in the family home.

The conventional terms of debate in matters of political, economic and legal issues tend to focus on individual rights and the rights of the state, not the rights of the family. This is unfortunate and must change, for the family is the most important reality in our lives. The family unit is the basic institution of

life and the solid foundation upon which our fathers have built this great nation.

Families have inherent and unviable rights. Families have existed before the church and families have existed before the state. The protection of families, family life and family values must be a priority with the government.

The family is the fundamental social and economic building block of Canadian society. Parents are undoubtedly the number one choice when it comes to providing the best possible care for their children. This view is supported by the majority of Canadians. However, unfortunately the majority of Canadians cannot realize the desired ideal because of the limited choice in the areas of taxation given to those who stay at home to nurture and care for their children.

An important objective of the bill is that the government would reintroduce choice to the realm of child care so that parents can have the economic freedom to make the right decisions that are in the best interest of the child and the family.

Parents are the primary educators of their children and are solely and fundamentally responsible for the physical, social, psychological, spiritual and moral development of their children.

• (1820)

Currently provisions in the Income Tax Act make child care expense deductions only to families who pay institutions to look after their children or have receipted day care expenses. It does not encourage or promote the nurturing and development of a child within its own home and with the guidance and care of a stay at home parent. This is unfortunate. It is time the government gave serious consideration to funding the family and not the institution.

For the government to promote and encourage institutionalized child care by providing tax benefits is inequitable and unjust. It is undermining the fundamental principles of the institution of life and is eroding family life and family values in Canada today. It is removing the economic freedom and flexibilities of families to make a conscious choice of what is in the best interest of the child by imposing an economic hardship upon single income families.

The traditional two parent family is under relentless attack from special interest groups and others who regard the traditional family as an impediment to their goal. They prefer associations of convenience or need rather than those based on binding, permanent commitments to past, present and future generations.

The stability of a nation is often determined by the stability of its marriages, a truism that warrants the deepest concern in Canada today. Our society must encourage and support permanency and commitment in marriage, which are essential values for the preservation of stable family life in Canada now and for future generations.

Furthermore, if we want to strengthen the family we must have tax policies that reward family formation. Our taxation system should encourage long term stable marriages without imposing severe financial burdens on them as is the present situation.

All children in Canada are of equal value and their care should be so treated in law. At present this is not the case for women raising children at home. This is based on the fact that the child care tax deduction program allows double income families personal deductions for child care costs of up to $5,000 a year for each child under the age of seven and of up to $3,000 for each child age seven to fourteen. The single income family is not allowed the same generous deductions. In addition, single income families pay considerably more in taxes than double income families with an equivalent income.

Public policy should assist parents if they choose to care for their children at home. It is a mistake to adopt taxes or social policies that require a woman to delegate the care of her children to others by forcing her to enter the paid workforce. Such a policy is against the best interest of the child, the family and society as a whole. Therefore the benefits of the child care tax deduction program must be equally available to parents who are at home as they are to parents who are in the paid workforce.

Special interest groups may argue that true equality for women cannot be achieved by a woman staying at home to raise her children and that a universal day care system is the liberation of the modern day woman. This approach is wrong. The feminist ideology that promotes the equality of women is more concerned with achieving formal equality and has forsaken substantive equality. By doing so the feminist movement has done a great disservice to women, to motherhood and to our children.

The continuous feminist quest to conquer the alleged male oppression of women has placed pressure on society to move the focus from family to individual rights and the rights of special interest groups. It is time to restore the rights of families, to give special recognition to motherhood, and to encourage economically and socially women who stay at home to nurture and love their children in a family home environment.

It is time for the government to fund the family, not special interest groups. It is time for the government to fund the family, not to fund institutions to care for children. It is time for women to restore substantive equality by being afforded the economic opportunity to make a conscious choice to stay at home and to be a mother and a homemaker.

• (1825)

The Acting Speaker (Mr. Kilger): The hon. member for Mississauga South, who moved the motion, has sought under Standing Order 44 the right of reply and the opportunity to close the debate.

It has to be made perfectly clear to the members that no one else can speak after the member for Mississauga South if he closes the debate. Is that agreed?

Some hon. members: Agreed.

Mr. Szabo: Mr. Speaker, I would like to summarize what has been said here by members.

It is rare to find all of the speakers and all of the parties in agreement on some fundamental principle, certainly the issue of converting a tax deduction to a tax credit so that it is fair for all Canadian taxpayers. There seems to be agreement on the issue of a means test that is applicable to all of the social programs that Canada provides its citizens to ensure that the focus of the benefit is to those who are legitimately in need.

Interestingly enough, there was also some strong support for those benefits to be available for those who have chosen to provide direct parental care in the home and do not work outside the home.

We have talked about the research that has been done, some of which flies in the face of conventional and traditional wisdom. It has elevated the debate to another level, another dimension. It has accentuated the principles related to direct parental care, to the family. Direct parental care in those early years, particularly the first three to five years, has a direct correlation to the future health, social and justice issues.

We have agreed that if we invest in our children today and ensure they have the best care available, and I believe that is best done by the parents, we will in the long run save tremendously on the cost of future health care, social programs and criminal justice.

I would like to thank the hon. member for La Prairie for his generous words, the member for Lambton—Middlesex who is a very strong leader in her community and supporter of the family, the member for Port Moody—Coquitlam who spoke so very well on family matters on behalf of her party, and the member for Central Nova who has become a champion of family values in the House. I thank them all for their support of this motion and for participating in the debate.

I believe we have raised the debate to a higher level of awareness and that we in this Parliament will see legislative changes which will reward the family that chooses to put the best interest of their children ahead of their own.

The Acting Speaker (Mr. Kilger): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 96, the order is dropped from the Order Paper.

ADJOURNMENT PROCEEDINGS

[*English*]

A motion to adjourn the House under Standing Order 38 is deemed to have been moved.

MEDICARE

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, on March 15 in Regina several individuals who fought to implement the first comprehensive publicly financed medical care system in North America warned Canadians that the federal government is undermining the original principles of medicare.

In particular, Allan Blakeney, the former premier of Saskatchewan, said that eliminating specific funding to the provinces in favour of reduced block transfers with few strings attached would result in a patchwork medical insurance system with different standards in different provinces.

On March 16, in question period, I asked the Prime Minister how his government could continue to claim it is defending the principles of medicare when four of the designers of the first medical care system were telling us that his reforms were going to lead to a patchwork medical care system. In response the Prime Minister said medicare would remain as it is.

• (1830)

That answer contradicts the Prime Minister's recent statements on medicare. It also flies in the face of what health care experts are telling us.

In a recent radio interview on CBC's "Morningside" the Prime Minister said medicare was never intended to pay for such things as dental care, eye glasses or ambulance services, but was created to cover the high costs of catastrophic illnesses such as major surgery.

Dr. Frank Coburn, a medicare adviser to the Saskatchewan CCF government in 1962 said: "There was no suggestion that it was only to cover catastrophic illness. It was to cover all illness that people suffer from".

The Prime Minister also argued recently that Canada should aim to reduce its health care costs from just over 10 per cent of gross domestic product to 8 per cent or 9 per cent. He claimed this would not affect the quality of health care Canadians receive. We cannot take billions of dollars from the system and

proclaim the national standards for medicare, established by the 1984 Canada Health Act, will not change.

On this point Léo–Paul Landry, the secretary general of the Canadian Medical Association, said: "That is a joke. Less means less, and less also means less for health care".

The Prime Minister has made contradictory statements on the effects of the proposed social transfers which will cut social program transfers by $7 billion and give the provinces more say on how to spend the money. The Prime Minister said he is confident the provinces will not abuse the new powers by violating the principles of medicare. However, over a period of 10 to 15 years the federal government will gradually give more social program transfers to the provinces in the form of tax points and less in the form of cash.

It is the cash portion that the federal government has always used to ensure the provinces stick to the five principles of medicare: universality, portability, comprehensiveness, public funding and public administration.

The negative effect of funding medicare through tax points instead of cash has been explained by the Prime Minister. In the "Morningside" interview he said: "When you transfer tax points you lose all leverage after that because you do not collect the money, they collect the money". The Prime Minister continued to explain that in the past federal governments have used the threat of cutting cash transfers to the provinces to maintain the five conditions of medicare: "The day you do not have any more cash you cannot use the leverage you had before". I could not agree more with that statement.

Ken Battle, president of Ottawa's Caledon Institute, a social policy think tank, estimates that by about the year 2017 cash transfers to fund medicare will be completely eliminated, removing the only lever the federal government has to enforce the Canada Health Act.

We are facing the beginning of the end of medicare as we know it. The Prime Minister has virtually admitted that without the threat of withholding cash transfers to the provinces future prime ministers will not be able to enforce the five principles of the Canada Health Act.

How can the Prime Minister possibly tell the House medicare will not change?

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Mr. Speaker, we are not facing the end of medicare. The guiding principle of health care in Canada since our system began in the 1950s has been that our citizens' health and access to quality care should not depend on their financial means.

In 1984 the Canada Health Act was unanimously passed by Parliament to reaffirm its commitment to the guiding principles of medicare and to provide a mechanism to promote provincial and territorial compliance with federal criteria.

Since 1972 every Canadian has had the assurance their need for necessary hospital and medical care would be met without risking financial disaster.

Liberal governments have given them this assurance. This Liberal government is not about to take that away. The Canada Health Act sets out, as the member rightfully said, the five guiding principles: public administration, comprehensiveness, universality, portability and accessibility.

The Prime Minister has said it, the finance minister has said it, the health minister has said it and I am saying it again, these principles are not negotiable. The Canadian people believe in those principles and so does the government.

There are challenges, technological advancement, an aging population and new diseases that directly affect our ability to continue to provide necessary health care services at a cost both the nation and individual Canadians can afford.

To ensure we can continue to provide quality care at a reasonable cost some adjustments must be made. This system is not underfunded but the time has come to reassess the way in which health care is organized and delivered. Reorganization and reallocation of health care resources is the order of the day as more affordable options are sought to meet the health needs of Canadians. Appropriateness of care, utilization management and quality assurance are the watchwords of government.

Health care professionals and all stakeholders attempt to verify the usefulness of the current ways of delivering care. The Canada Health Act allows these adjustments to be made. It does not pose a barrier to provincial and territorial government efforts to renew their health systems and to make them more effective and efficient.

The variations that already exist between clients in different parts of the country demonstrate the flexibility which is both desirable and necessary to respond to the needs of Canadians in different regions of the country.

The Acting Speaker (Mr. Kilger): Pursuant to Standing Order 38, the motion to adjourn the House is now deemed to have been adopted. Accordingly, the House stands adjourned until tomorrow at 10 a.m. pursuant to Standing Order 24(1).

(The House adjourned at 6.37 p.m.)

HOUSE OF COMMONS

Friday, March 31, 1995

The House met at 10 a.m.

Prayers

GOVERNMENT ORDERS

[*English*]

BUDGET IMPLEMENTATION ACT, 1995

The House resumed from March 30 consideration of the motion that Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, be read the second time and referred to a committee; and of the amendment.

The Acting Speaker (Mr. Kilger): I would like to make the House aware that during the next 54 minutes of debate members will have 20 minutes to make their speeches which will be subject to a 10–minute question and comment period. After the 54 minutes, the House will proceed to the next stage of debate and members will be allowed a 10–minute maximum.

[*Translation*]

If I am not mistaken, the last person who spoke yesterday was the hon. member for Glengarry—Prescott—Russell and we were at the question and comment period. Are there any questions or comments?

Resuming debate with the hon. member for Hochelaga—Maisonneuve.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, I am pleased to speak on Bill C–76. For the benefit of those who are watching us at home, let me repeat that this bill deals with budget measures, notably the important issue of transfer payments to the provinces.

I would like to remind them that, when we talk about transfers to the provinces, for this past year at least, we are in fact referring to three main sets of programs. We are referring to three categories of transfers, namely those under established programs financing, which the federal government has reduced by $21 billion for 1995–96, under the equalization program, which the government has reduced by $8.87 billion, and, finally, under the Canada Assistance Plan, which the government has reduced by $7.95 billion.

It is important to remember that transfer payments to the provinces are a matter of particular importance in a federal system, since, in a federal system, the relationship between the federal government and the provinces is absolutely crucial. Whenever financial considerations are involved, we must bear in mind that a federal system is a system made up or based on three components. In any federal system, first of all, you have two main levels of government: a central government and the so–called subordinate administrations.

• (1005)

Depending on the particular system, these lower levels are called provinces, or landers, or cantons, but where there is a federal system, there are at least two levels of government, each of which is supposed to have sovereign authority over every areas of jurisdiction prescribed in the constitution. In the Canadian Constitution, these areas are listed in section 91. Section 91 lists the powers of the central government and section 92, the provincial areas of jurisdiction.

Finally, the last characteristic of federalism is the constitution, which is designed to delineate the respective powers of the two levels of government. Why do I feel the need to give these elements of historical background and political definition? Because, if the Canadian federal system were harmonious and responsive to the provinces, a system in which the jurisdictions established under the Canadian Constitution were respected, we would certainly not be passing or debating a bill like Bill C–76.

Why am I saying that? Because, in a federal system with two levels of government, where each level has specific responsibilities, financial equilibrium is understandably a matter of great importance. We can appreciate that, when one level of government decides unilaterally, without consulting the provinces, as this government is doing, to cutback transfer payments to the provinces, this is designed to have a destabilizing effect. We must keep in mind—and we will have an opportunity to say it again during the various debates to come—that, for all practical purposes, the federal government plans to use this bill to cut transfers to the provinces by $7 billion.

Let us recall the three programs through which funds are transferred. First, there is the Established Programs Financing for which the federal government plans to set aside $21 billion. As you know, Mr. Speaker, the Established Programs Financing in place since 1977, is the government vehicle for financing health care and post–secondary education. Of course, we know

full well that, under the 1867 Constitution Act, these sectors do not come under federal jurisdiction. Yet, over time, they have interfered in these areas of jurisdiction. So the first vehicle is Established Programs Financing.

The second vehicle is very well–known because, for a very long time, the champions of Canadian federalism told us that an original feature of the system was equalization, for which the federal government plans to set aside close to $9 billion. Equalization was born shortly after World War II. We must keep in mind that this transfer system was aimed at giving all Canadians from Newfoundland to British Columbia access to the same range of services. Equalization saw the light of day because Canada is an impossible country, a country of regional disparities.

Because the provinces do not have the same ability to collect taxes, because they do not have access to the same resources, nor the same tax base, we decided to develop a redistribution mechanism so that funds would be redistributed from wealthier provinces with access to a broader tax base to poorer provinces.

As you know, Mr. Speaker, the equalization formula is extremely complex, involving some 40 factors, so that as we speak, since 1989, in fact, the beneficiaries of equalization have been Quebec, the Maritimes, Manitoba and Saskatchewan.

• (1010)

Again, to make it clear to those who our listening, there is a third transfer mechanism, namely the Canada Assistance Plan, which was established in 1966 and which is the solution found by the federal government to get involved in the financing of social assistance. Under the Constitution, as you know, the federal government has no business in the financing of social assistance programs in Canada; yet, it finances about 50 per cent, or half of the welfare costs of the provinces.

Why do I point this out? It is, of course, because this bill seeks to unilaterally deprive the provinces of some $7 billion.

Why did we end up with transfer mechanisms such as the established programs financing, equalization and the Canada Assistance Plan? It is because there was an imbalance between the tax resources of the federal government and the provinces. That imbalance must be viewed in an historical context. After the first and the second world war, the Federal government took advantage of the exceptional crisis situations generated by these conflicts to move into direct and indirect taxation.

In the fifties, the imbalance became very obvious to the provinces, which were considered somewhat like large municipalities. Consequently, some mechanisms had to be devised to transfer the wealth. These mechanisms are the three to which I referred earlier.

The federal government was urged to spread the wealth and therefore decided to finance sectors which did not fall under its jurisdiction. This created a situation whereby the provinces would provide services to their population with budgets allocated by the federal government. Again, it is worrisome and even catastrophic to see that the federal government now intends to unilaterally cut $7 billion in the transfers to the provinces.

Do you think that the federal government consulted the provinces to make sure that this measure would cause the least amount of prejudice? Absolutely not. The provinces found out, when the Minister of Finance tabled his budget last February, that there would be a cutback of $7 billion, that would break down as follows: in 1996–97, $2.5 billion would be cut from transfers to the provinces; and in 1997–98, something like $4.5 billion. That is the scenario we are given in Bill C–76.

If we consider Bill C–76 and, more specifically, its impact on Quebec, we realize that Quebec will have to absorb $650 million in forgone revenue for 1996–97 and $1.2 billion for 1997–98.

Even more alarming is the fact that the federal government is intervening in areas over which it has no jurisdiction. This intervention, which has continued to this day, has a long history. The provinces have, to a certain extent, remained dependent on the federal government for these transfers which were used to help develop health care and education services.

• (1015)

There are not many examples of federalism left in a continental country with a low population density and most of its population concentrated along the U.S. border. All of a sudden, because the federal government is in trouble, because this federal government is an impossible government, the government, with obvious contempt for federal–provincial diplomacy and oblivious to the impact that these cuts may have on transfers to the provinces and specific services provided to users, decides to cut $7 billion.

The federal government, centralist as always, has gone even further. It says: There will no more established programs financing or Canada Assistance Plan. Instead, there will be a new program called the Canada social transfer.

However, we do not know what criteria will be applied to redistribution of the amounts the CST will contain. Our position is that the Minister of Human Resources Development and the provinces will have to consider the criteria for redistribution of these funds, without necessarily being bound by an agreement.

The official opposition believes—and as you know, the official opposition's predictions tend to be very accurate—that the Minister of Finance, the hon. member for LaSalle—Émard, a Montreal member, may wish to put on the table a redistribution rule that might severely penalize Quebec. We think that redistribution of wealth might be based on population.

As several speakers have said in the House, the Minister of Finance, who has systematically refused to exclude the possibility of dividing the Canada social transfer envelope on the basis of population, may well decide that Quebec will have to absorb 41.7 per cent of the cuts in transfer payments to all provinces in Canada in 1997–98, which would mean that in 1997–98, if that is the basis on which the government intends to operate, Quebec will have to absorb not $1.2 billion but $1.9 billion in forgone revenue. And that is why the Quebec government has reacted very negatively to Bill C–76.

What is most absurd in this situation is that the federal government intervenes in the area of health. Here again, any outsider looking in the Constitution Act of 1867 or the one of 1982, to find the authority, legitimacy or jurisdiction behind the government's involvement in the field of health would be searching in vain.

But everyone knows that there is a Department of National Health in Ottawa, Health Canada, which requires about $1 billion just in order to operate, to pay the salaries of the public servants there. This figure does not include the money allocated by the Minister of Finance in his budget to run its various programs.

According to an article published last month in a learned publication there were more public servants at Health Canada than in the individual provincial departments of health.

This is not the least of the contradictions. There is a two tier structure, with the result that, even before any thought is given to transferring funds to the provinces so they can actually provide health care services to the public, funds must go to a structure that requires $1 billion simply to operate. This is the same sort of absurdity we find in the fight against AIDS.

• (1020)

The federal government is trying to establish a continent–wide health policy, which is impossible, because the level of administration in the best position to be effective and provide the finest and most useful service to Canadians, cannot be the government farthest removed from them. And the government farthest removed from them is the government in Ottawa.

The federal government's attempt to set up a national health policy, which aims necessarily at meeting the needs of communities from Newfoundland to British Columbia, is just as absurd as what it is doing in the fight against AIDS.

What happens when the government tries to intervene in the health field? Let us have a look at Canada's strategy in the fight against AIDS. In the early 1980s, with the appearance of this most terrible disease, which will cruelly mark the turn of the century, the government decided it should act.

Instead of using its tax leverage to mandate the provinces and transferring additional resources to them so they could be the real agents and fight AIDS intelligently, the federal government established a national strategy.

It is an extremely loose national strategy, which really lacks substance and is extremely inefficient, since we all well know that the governments of Newfouland, of Quebec, of Ontario, of Saskatchewan would have been better suited than the federal government to lead the campaign, given their expertise in the area of palliative care and health care.

The result is that the government has to maintain an extremely cumbersome administration and that situations arise like the one that arose last year. The federal government voted in its AIDS strategy, and allocated it a budget of $42 million which was not spent. The federal government, because it is the government level furthest removed from the people and because it has nothing to do with health care, is unable to deliver services in the field, and the concrete result of this is that it is not able to spend the allocated budgets approved by Parliament.

I see that this surprises government members, but it is nevertheless the case. I will conclude by saying that last year, of the $42 million that the government allocated for the AIDS campaign, only $34 million were spent, and not in the most useful ways. This is why people have gotten the impression that the federal government is not the most efficient level of government.

[*English*]

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I listened intently to the hon. member. I thank him for his intervention.

He complained about the transfer payments from the federal government to the Quebec government being reduced. I wonder if he could share with us how as a country we can reduce the deficit and the heavy debt which is plaguing the country. If we could balance the books, as six provinces have already done and if we could wipe out the public debt, we could put a lot more money into such programs as the hon. member is talking about, for example, helping people affected with AIDS and so on.

Somehow the provincial and federal governments have to work more efficiently, more co–operatively to try to avoid any duplication. Then we will reach the goals that he wants to reach not only for Quebec but for the entire country.

Could he share with us what concrete recommendations he and his party have for balancing the books, as the six provinces have done, and for reducing the public debt eventually to zero?

• (1025)

[*Translation*]

Mr. Ménard: Mr. Speaker, I thank the parliamentary secretary for his question. Obviously, it is quite clear to me how we should go about balancing the books. Those of us on this side of the House are convinced of the need to implement the principle of subsidiarity, whereby the mandate to deliver a service should go to the level of government in the best position to do so. The problem with Canada, and, with all due respect, the problem with the government's logic, is that all that is being offered is an observation. The observation is made that we have a debt of $600 billion, but no questions are asked about the institutional structure that led up to this debt.

Let us not forget that the federal government used to have a department of urban affairs and a department of recreation, and that is why we have the debt we do today. It is because of an imbalance that allows Ottawa to interfere in areas of jurisdiction for which it has no mandate. This is the spending power system. Unfortunately, the federalism we are seeing leaves much to be desired. This is not to say that federalism could not be interesting in theory, but for it to work in the Canadian context, it must be centralized. And for it to be centralized, interference in the affairs of the provinces becomes necessary.

My hon. colleague would be interested to know that before the Department of Health even gets around to delivering a service, a billion dollars has been set aside by the Minister of Finance for its operating expenses. Does my hon. colleague share my concern, my disbelief that Health Canada has more employees than the provincial departments of health? This is not what we should be seeing when it is not even the federal government's mandate.

The best way to reduce the debt, and I do not know whether my colleague will agree with us, is to undertake a political reorganization with the goal of establishing an association between two nations, two autonomous governments, who will obviously have economic dealings with each other where interests dictate, because we know that nations must put interests ahead of feelings. I think that the best way for Canada to reduce the debt is through an extensive political reorganization.

[*English*]

Mr. Flis: Mr. Speaker, the hon. member is contradicting himself. He said that to have a healthy federalism we have to centralize things more. On the other hand, he is talking about two nations.

My wife comes from the province of Quebec. She has many relatives there, nieces, nephews, and we meet with them quite regularly. I am so proud of Canada when my nieces and nephews visit us and speak three languages. They speak French, English and Polish.

Is it not wonderful that in a country such as ours, in la belle province, people can grow up fluent in three languages? If we nourish this further, we will be the envy of the world. The United Nations has named Canada as the number one place on this planet in which to live. Why would the hon. member talk about two nations? It took us 125 years to reach the level we are at now. Now that the world recognizes that we did this properly and Canadians have the best standard of living, why would we want to dismantle this?

I would remind the hon. member also to talk to the ambassadors here in Ottawa of the Czech Republic and Slovakia. I keep in very close touch with them. They went through the same phase. When they were talking about separation they were talking about the same currency, no obstacles at the border, common defence and so on. The minute they separated they had to print their own currency, they had very strict custom controls. It was the most painful thing they had ever gone through. They are recommending not to let happen to Canada what happened to the former Czechoslovakia.

• (1030)

I am wondering if the hon. member would rethink and answer who is representing my nieces, my nephews, my grand–nieces, my grand–nephews because they do not want two nations. They want to live and grow in this beautiful country as it is now. They do not want to move out of la belle province but they will if we go the two nation route.

[*Translation*]

Mr. Ménard: Mr. Speaker, I know that my colleague is a generous and intelligent man, so I am disappointed with his comparison. I wish to tell him that, since the fall of the Berlin Wall, 21 countries have achieved sovereignty and, out of these 21 countries, it is easy to talk about the economic difficulties experienced by Slovakia. On the other hand, I can give him a list of 20 countries which, not in the distant past but since the fall of the Berlin Wall, have managed their sovereignty successfully. We will have the opportunity to talk about this again later.

I wish to address one element of my colleague's question. What I told the hon. parliamentary secretary is that there are several examples of federalism in the world. Canadian federalism has two distinctive features. Canada is a continental country, unlike the other federalist countries we are familiar with. It is a continental country with two nations. Since being elected to this House, I have seen that there is a gap between the parties. On this side, because we are in touch with Quebec, we know that we are a nation.

Prince Edward Island is not a nation. British Columbia is not a nation. They are great places in the world, with generous people. I spent my vacation in Prince Edward Island and it is a wonderful part of the country, but it is not a nation. Again, it is a wonderful part of the country. Being a nation involves having a distinct language, a distinct legal system, government control, a collective will to live together. These elements make us a nation under international law.

Canada is indeed a great country, and I am able to recognize this. But what I said about Canadian federalism is that, although Canada is a great country, although I have many friends on the other side of this House, including the parliamentary secretary, Canada as it now exists cannot allow two nations to achieve self–realization. That is why, in the next century—and saying this does not show contempt, secessionist tendencies or obtuseness—Canada must be redesigned so that both nations can enjoy a relationship as political equals and economic partners.

When my hon. colleague tells me that his niece, of whom he is no doubt very proud, speaks three languages, it is something that must be applauded. However, the hon. member is confusing the collective dimension with the individual dimension.

I wish that all members of this House were multilingual. Three mornings a week, I get up at seven in the morning to learn English so I can discuss with my hon. colleagues. But all this does not change anything to the fact that Quebec is a nation and must have all the powers, its own country and its own government.

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, normally, when I rise in this House to participate in a debate on a bill, I can say that it is with great pleasure that I speak to the bill before us.

[*English*]

This is not a pleasant budget on which to be speaking. For many of us it is a very painful budget. For many Canadians it is a very painful budget. For us as Liberals it presents some decisions we would rather not have to be making.

Liberals tend to want to be builders and creators, not to be pulling back on progress that has been made and programs that have been established. Following the second world war we were able to invest in housing, invest in transportation, invest in the education of our returning war veterans and yet pay off the war debt within five years. That was in the time of an expanding economy both domestically and internationally.

• (1035)

Liberals have been proud to create a package of social programs that has offered Canadians a standard of living and a quality of living second to none. We have been proud to introduce security for workers who lose their jobs. We have been proud to introduce security for Canadians who because of disability and many other reasons are unable to support themselves. We have been proud to share responsibility for our fellow citizens in need.

It was a Liberal government that was proud to set as a national target approximately two decades ago the elimination of poverty among the elderly. We have achieved that.

However, these are different times. We now have to look at how we can use the very limited resources of the nation and of our taxpayers to continue the quality of life the nation has enjoyed and to continue progress into the future. We also have to face some very hard facts and that is what the budget bill does.

[*Translation*]

We must realize that 40 per cent of our national debt is held by foreign countries and that, when we pay interest on the debt every year, 40 per cent or $16 billion are paid out to foreign lenders. That is money that does not get back into our national economy; it does not work for us to improve our economic situation, here, in Canada. This money is paid outside the country and, therefore, not subject to Canadian income taxes. This is a double loss to our economy.

[*English*]

We have to face the fact that we are now paying one–third of every dollar we collect from Canadians and spend on government programs and services just to pay the interest on the debt. That proportion is rising year by year. If we continue to allow that to happen we will have less and less to do the things we want to do for the country and for Canadians.

I have sat in this House since 1988 and have heard repeated promises of reducing the debt and deficit and that we have to go through this pain to get to a certain objective. However, this is the first time since I have sat in this House that there has been an actual and substantial reduction in the deficit.

With the budget we are projecting the fulfilment of our 1993 campaign commitment to Canadians to cut the deficit by half in proportion to the GNP by 1997.

I have said this is a painful budget. One does not cut one's spending without removing from many Canadians certain programs, services and benefits we have enjoyed as a nation. We have done the budget in full consultation with Canadians. The Minister of Finance has met with Canadians across the country. We as members of Parliament have met with our constituents on what should be in the budget and asked for their advice and counsel in the difficult decisions we had to make.

In Ottawa West I was very fortunate to have several hundred people come together and assist me in advising the finance minister as to what we felt were the important issues to be taken into consideration in coming up with the budget. The people of Ottawa West told me they were concerned about the debt and deficit. They are concerned about the continuing deterioration

of opportunities for the future of the country, for its economy and for the next generation.

• (1040)

They also said they did not want to sacrifice hard earned progress which made this the best nation in the world in which to live for the immediate gains on the debt and deficit. That is a difficult balance but it is a balance the budget and the legislation implementing it manage to achieve.

The people in Ottawa West and all Canadians told us they wanted the budget to be fair. They believe no group in society should disproportionately bear the brunt of the necessary cuts in government spending. We have delivered on that and it is being implemented in the budget.

Greater fairness in the tax system was the message from my constituents in Ottawa West, and also to close some of the loopholes. We have done that. We have increased the corporate rate of tax so corporations are again starting to pay a fair share of taxes. The capital tax imposed on banks is one element of that fairness.

Through a number of such measures we have avoided an increase in personal income tax which Canadians very clearly said they did not want because they already feel their dollars are stretched to the limit.

This is the first time I have had a chance to respond to people in Ottawa West on the specific measures they raised with me prior to the budget and tell them their voices and the voices of other Canadians clearly made an impact. They asked that we not tax their RRSP savings, and we did not. They asked that we not tax health and dental plan benefits, and we did not. They asked that we not touch the income of seniors, and we did not. We did say that Canadians living outside of Canada who are earning a high enough income should not continue to receive their entire old age security. They should be treated the same as seniors who are living in Canada and paying taxes here.

I can honestly report back to the constituents of Ottawa West that the views they expressed to me most strongly have been respected in the budget.

For a number of my constituents the changes we have made in government spending will have a negative impact. These are primarily people who work for the public service. It is not easy to say that of the 45,000 jobs to be cut in the public service, 15,000 of those over the next three years will be lost in this region.

However, through the bill and through other measures the government is taking extraordinary steps to make sure the number of people who will actually lose a job through this major process is reduced to an absolute minimum. We fully expect that at least 60 per cent of the downsizing will be achieved through the early retirement incentives through regulation and the early departure incentives done through the legislation today.

Through various training and placement programs that will be put in place there will be various flexibilities about how people manage their time if they know their particular position will be affected. I want to send a very clear message that at the end of three years, through all of this, at least 86 per cent of the federal public service will still be in place, will still be working. There is no question it will be a dramatically changed workplace and I hope a dramatically improved workplace as we stop trying to ask a shrinking number of people to do everything and accept our responsibility as a government of deciding what programs to continue and what programs to stop. It will be a very difficult three years.

Canadians will know exactly where the government is headed, what programs we think are important and we will have the resources to carry out those programs well on behalf of Canadians.

• (1045)

I express my appreciation to the business community, local politicians in the area and many other people throughout the national capital region who have come together as a community to put in place programs that will assist people, whose jobs in the public service are affected, to remain in the community and to work in the community.

They are one of the great strengths of our region. That very talented workforce will provide further economic diversification and help to build a stronger economic future. I say to them honestly that their members of Parliament and their local community are 100 per cent committed to assisting them in continuing to be employed here and in continuing to make this their home.

[*Translation*]

Mr. René Canuel (Matapédia—Matane, BQ): Mr. Speaker, I listened with great interest to the comments made by the hon. member. She said repeatedly that the budget was tough. It is very tough indeed. To try to reduce the deficit to pay off our debt is very laudable. We must do it.

I represent the rural riding of Matapédia—Matane, where I recently met with some local groups. In my region, unemployment matched with employment security is the norm for 35 to 40 per cent of workers. I discussed the budget with these various groups. The students did not understand. They told me: "How can we possibly pay more for post–secondary education"? They do not accept that.

I also met farmers who have herds of 30 to 35 dairy cows. They told me that the situation in the region did not make any sense. The Liberal member who accompanied me has a herd of 225 milk cows, which is not quite the same. For farmers, the budget means a loss of $5,000 over two years, or $2,500 per year, or 15 per cent for two years.

I also met unemployed people. A former Liberal member, Mr. Bona Arsenault, once said that people were lazy. Let me tell you that people in my region are not lazy. They are energetic. They want to work. Given the opportunity to do so, they will work as hard as anyone. The unemployed are very worried.

Why is it that, by contrast, some business people do not seem very concerned. The hon. member referred to banks. The government will get $100 million from the banks.

The Acting Speaker (Mr. Kilger): Order. I apologize for interrupting the hon. member for Matapédia—Matane. I simply want to remind him that the period for questions and comments only allows five minutes. Unless he is just making a comment, the hon. member should put his question if he wants a reply.

Mr. Canuel: Mr. Speaker, I will ask a very simple question. Why is it that the budget did not bother the multinationals too much. From what I have heard, the banks are not overly concerned by that budget. It is not the rich who are worried about it, but the poor.

Mrs. Catterall: Mr. Speaker, I can tell the hon. member that, in my own riding, five minutes from where I live, many residents have the same concerns. Consequently, I can certainly relate to what the member is saying.

It is for these people that we have to review and redirect our programs. We have to make sure that there is a future for these people, for women who have a very low income and who want to provide a future for their children, for young people who may have quit school five or six years ago and now want to get some training.

• (1050)

It is precisely for these people that we must have a strong economy which, I hope, we will better control, so that we can provide the training programs and the job creation initiatives which will give them a good future.

[*English*]

The Acting Speaker (Mr. Kilger): Again I clarify for the House that the member for Ottawa West indicated she was splitting her time with a colleague. That is why I made sure the question and comment period was for a duration of five minutes.

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, I am pleased to have the opportunity to discuss the budget of the finance minister for 1995–96.

The budget was about keeping promises: the promise contained in the red book to reduce the federal deficit to 3 per cent of GDP by 1996–97, the promise made by Liberal governments past and present to preserve a sustainable social safety net that provides for those who are most in need, and the promise to ensure that all Canadians in all regions share equally in the necessary burden of reducing the deficit.

Through a combination of spending cuts and revenue increases the finance minister reduced the deficit for 1995–96 to $32.7 billion. This is the second year in a row the deficit has been reduced. I am proud to be a member of a government that backs up its talk on deficit reduction with action. Unlike the previous Tory government and some members of the third party, the finance minister realizes there is a purpose to deficit reduction and that deficit reduction is not an end in itself.

As a result of the huge debt that has been run up by the last government, Canadians last year saw roughly 33 cents of every taxation dollar go toward paying interest on the debt. This meant less money available for services that Canadians deserve and respect.

The large debt also creates a climate of instability which discourages business investment and job growth. The purpose therefore of deficit reduction is to guarantee Canadians an environment for sustained growth and job creation both now and into the future.

The government understands and respects its obligations to Canadians to stop the practice of borrowing from future generations to finance the spending habits of today. Therefore it is not with enthusiasm that the government set about reducing spending but rather out of necessity.

Canadians from coast to coast to coast understand this point. In fact a recent poll confirmed it: 69 per cent of Canadians said they approved of finance minister's budget, even though a large number of those who approved of the budget expected to be somewhat worse off under it.

I refer to some of the remarks made by my colleague from Ottawa West. She said that some of her constituents spoke to her about their concerns under the budget but were willing to accept the cuts and to live with the budget.

Not only is the budget remarkable for the progress it makes toward the goal of reducing the deficit. It is commendable for the way in which it achieves deficit reduction. Reduction in the deficit was achieved largely through expenditure cuts.

For the second year in a row the government did not increase personal income tax rates. I congratulate the minister on his willingness to listen to Canadians and to refuse to take the easy way out by raising taxes. While personal tax rate increases may have been easy they would not have been equitable.

Rather, the finance minister has managed to reach his deficit reduction primarily through expenditure cuts. For every $1 of revenue increase contained in the budget there are $7 in spending cuts. These cuts are reached largely through a rationalization and downsizing of government while ensuring that the spending cuts do not jeopardize the social programs Canadians value so dearly.

I should like to comment on three specific areas which the budget affects: social programs, small business and changes to the Department of Fisheries and Oceans.

• (1055)

While many Canadians including myself were encouraging the minister not to raise personal income taxes as part of his campaign to fight the deficit, equally compelling was the need to maintain the hallmark of Liberalism, our social safety net.

It was the Liberal government that built the social safety net and it is the Liberal government that is committed to maintaining our social programs. The problem was to adjust the programs to reflect the challenges and realities of the nineties.

Too often complaints were heard about how the social security system did not aid those most in need. At the same time it was becoming obvious that the social safety net was in many instances not providing incentives to Canadians to become less dependent on assistance.

Helping individuals to get back to supporting themselves must be a fundamental goal of any social system. In an attempt to encourage innovative and timely approaches to social security the government has established the Canada social transfer. This payment to the provinces will combine payments for health, post–secondary education and social assistance into one payment called the Canada social transfer. It will allow provinces the flexibility to pursue innovative approaches to the programs.

In conjunction with the transfers the federal government will impose national standards on all provinces as a condition of receiving funding. It will ensure that our commitment to provide for the most vulnerable in society will be maintained. For example, the Canada Health Act and its standards of accessibility, portability and universality will remain intact. Further, the Minister of Human Resources Development is to meet with his provincial counterparts to work out a set of national standards to govern post–secondary education and social assistance.

It has been said that the provinces will receive less funding under the Canada social transfer than previously. However the government has shown its commitment to social programs by cutting its expenditures in this area much less than it cut expenditures in other areas. Further, by announcing the changes in its transfer payments this year to take effect next year, the federal government has given provinces plenty of notice of the changes so that they may have the time to prepare.

Statistics show that under the Canada social transfer total transfers including equalization to the most needy provinces—

Mr. Speaker: The hon. member will have the floor when we resume debate at the end of question period.

It being 11 a.m. we will now proceed to Statements by Members.

STATEMENTS BY MEMBERS

[*English*]

INFRASTRUCTURE

Mr. John O'Reilly (Victoria—Haliburton, Lib.): Mr. Speaker, recently I had the opportunity to participate in an infrastructure event in my riding of Victoria—Haliburton. Announced were eight projects valued at $1.1 million for the Victoria County Board of Education, including the installation of computer wiring to give students better access to the information highway.

There have been 153 infrastructure programs announced in my riding in places like Fenelon Falls, Haliburton, Kinmount, Minden, Bobcaygeon, Kirkfield, Apsley in Brock township and my home town of Lindsay. They have totalled over $25 million and created thousands of part time and permanent jobs.

The Canadian infrastructure program is an investment in the future. It has improved communities. It has upgraded the quality of life across the country. Most important, it has invested in the education system for our future. It is a success.

* * *

[*Translation*]

TURKEY

Mr. Stéphane Bergeron (Verchères, BQ): Mr. Speaker, the Turkish offensive against the Kurds continues to cause many casualties. Today, 23 more Kurds were killed in Southeastern Turkey.

While Turkey continues to violate the most elementary rules of international law, Canada turns a blind eye. Even worse, although Germany has suspended deliveries of all military equipment to Turkey, the Canadian government has started negotiations with Turkey on the sale of its CF–5 fighter planes.

This is one more indication that the Liberal government's foreign policy is totally inconsistent.

The government must stop hiding its head in the sand and condemn forthwith the unacceptable behaviour of one of Canada's military allies by bringing this difficult matter before NATO and the UN Security Council.

[*English*]

CONSTITUENCY COMMITTEES

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, I would like to congratulate a group of constituents in my riding of Nanaimo—Cowichan who are doing valuable work on behalf of taxpayers.

Several months ago I followed the lead of my colleague from North Vancouver by inviting interested citizens to get involved in the Canada Employment Centre grant process. Since that time this committee has been hard at work reviewing grants to determine if tax dollars were being spent wisely. This practice has resulted in constituents having direct input into the process instead of having the MP simply rubber stamp these applications, as is usually the case according to a senior official at human resources development.

Based on the positive results from this committee, I am now looking to establish other working groups at the constituency level to get involved in everything from agriculture to transportation.

This committee and others like it should serve as an example to all MPs as to the value of getting constituents involved in the democratic process.

* * *

HEALTH CARE

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the financing of medical care in Canada has become a challenging task that the federal government is about to make even more challenging. The current federal proposal to change the way cash is transferred to the provinces will create a patchwork of different delivery systems in different provinces across Canada. Fortunately, some provinces have a progressive view of health care delivery.

Thanks to good economic management, the Government of Saskatchewan will introduce this year new and expanded health services at the community level. These will include home care and increased support for respite beds, and day programs that provide some relief for family caregivers when needed.

Saskatchewan's health minister, Lorne Calvert, says that these and other initiatives represent the most comprehensive and people sensitive approach to community based health care in Canada.

It shows that even in the face of financial difficulties a province that cares for people can meet its health challenges. I urge the federal government to ensure provincial initiatives such as these are not undermined by a shortsighted and poor—

The Speaker: The hon. member for St. Boniface.

* * *

LEARNING DISABILITIES

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, you may have noticed a number of our colleagues wearing a black and gold ribbon over the past month. March is Learning Disabilities Month and this ribbon honours all Canadians who have learning disabilities and those who provide them with support of all kinds.

[*Translation*]

One Canadian out of ten, which means 2.9 million Canadians, has learning disabilities, which will affect performance at school and may be a serious obstacle to learning to read, write and do arithmetic.

[*English*]

Early diagnosis and remedial intervention is the key. Children with learning disabilities become adults with learning disabilities if there is no early intervention.

As a former educator, I recognize the importance of training for all teachers in learning disabilities and the importance of specialized training programs for adults with learning disabilities.

Today I honour and recognize the learning disabled, each of whom struggles daily to learn. I also honour those who provide them with support of all types.

* * *

CANADIAN WHEAT BOARD

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, Canadian farmers are no strangers to the hardships of climactic extremes. As our economic climate becomes increasingly competitive, farmers are confronting a growing storm of cutbacks and continuing trade wars, especially downward pressure from the American export enhancement program.

At the eye of the storm is the Canadian Wheat Board, one of Canada's great institutions. In such a climate the board plays a critical role by supporting the principles of orderly and fair marketing and in essence works on behalf of farmers.

I have received copies of several hundred letters written by Canadians from ridings across western Canada who feel the same way. All of these letters say the board should remain a strong selling agency for the Canadian farmer. Many suggest it should be given an even stronger mandate.

In the truest sense, the Canadian Wheat Board is an organization that works for Canadian farmers. I congratulate those farmers and support their initiative.

• (1105)

YOUTH SERVICE CANADA

Mr. Walt Lastewka (St. Catharines, Lib.): Mr. Speaker, I would like to update the House on a successful Youth Service Canada project conducted by the Institute for Enterprise Education in St. Catharines.

The program provided training and practical experience with local business people in entrepreneurial, interpersonal and labour market skills. It paved the way for a successful school to work transition.

With 19 full term students, seven have secured employment within their career path objectives working with other entrepreneurs. Nine have already begun business operations and three are finalizing their business plans and proceeding with their business start–ups.

I have worked with the youth enterprise program from start to graduation. I am very pleased with the accomplishments of the students.

We can all celebrate the successful program sponsored by Human Resources Development Canada. I also congratulate the Secretary of State for Training and Youth for working with our youth and making this program such a success.

* * *

[*Translation*]

CANADIAN NATIONAL

Mr. Maurice Dumas (Argenteuil—Papineau, BQ): Mr. Speaker, as the official opposition pointed out during the debate on back–to–work legislation for railway employees, the Minister of Transport waited until the government had wielded its big stick before starting the process of privatizing Canadian National.

The Minister of Transport, who openly sided with the employers and against the employees in the railway dispute, was anxious to downgrade the terms and conditions of employment at CN so it would be easier to privatize the company.

The minister did not even have the decency to wait and started his privatization process less than a week after the passage of back–to–work legislation. Now more than ever before, it is clear to railway employees, and Canadians generally, that the arbitration process put in place by the Minister of Labour in the railway sector is biased towards the employer. The opposition was right to condemn this bill.

[*English*]

JUSTICE

Mr. Paul E. Forseth (New Westminster—Burnaby, Ref.): Mr. Speaker, yesterday an Ontario court justice made a ruling that could very well affect the safety of all Canadians.

Justice Peter Howden ruled that a section of the Criminal Code clearly violates the rights of a criminally insane person because the role and powers of the federal Criminal Code Review Board are too broad and do not have clear standards.

This case centres around a criminally insane person who has been convicted of criminal charges on four separate occasions, including the beating of his aunt with a rolling pin. However, this is only the start, as 1,100 similar people being held on warrants wait for lawyers to find loopholes in the criminal justice system.

The minister has been asked by the Ontario court to step in and make changes to the code so that such a judgment would not take place. The minister hesitated in dealing with the Supreme Court decision in the Daviault case and we all know what followed.

The minister now has a chance to redeem himself. Canadians do not want a second blown opportunity. They want reassurance of a safe community and reassurance that dangerous offenders will remain in custody.

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SUSAN AGLUKARK

Mr. Jack Iyerak Anawak (Nunatsiaq, Lib.):

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

[*English*]

On Sunday the Juno Awards for Canadian music excellence were handed out. Among the winners was a young Inuk from my constituency, Susan Aglukark. Susan received two Junos, one for best new solo artist and one for best music of aboriginal Canadian recording.

These Juno Awards are in addition to the rising star trophy she received at last year's Country Music Awards and her 1994 National Aboriginal Achievement Award.

It is fitting that Susan should receive these Junos this month as March is Aboriginal Language Month. An Inuk from Arviat, Northwest Territories, Susan is proud to sing in her native language, Inuktitut, as well as in English. Her newly released album "This Child" is meeting with great success. Her music touches the hearts of many.

Congratulations, Susan.

THE LATE DONALD MORROW

Ms. Marlene Catterall (Ottawa West, Lib.): Mr. Speaker, I rise today to pay tribute to a man who served his community, his province and his country with distinction.

Don Morrow died in Ottawa on Wednesday at the age of 86. He represented the people of Ottawa West in the provincial legislature for 29 years, from 1948 to 1977, and served as the Speaker of the Ontario legislature.

Don Morrow had been out of office for nearly 20 years. However, his service to his community and his links with its people were so strong that when Don Morrow walked into a room or down a street, he was greeted with warmth, affection and remembrance.

I think that is what we would all like to have at the end of our careers.

I say thank you to his family for the time they allowed him to give to all of us, and I offer our condolences on his passing.

* * *

• (1110)

[*Translation*]

HUMAN VALUES

Mr. Mark Assad (Gatineau—La Lièvre, Lib.): Mr. Speaker, the regional commissions have finished their work in Quebec and have submitted their recommendations to the national commission. Unfortunately, some remarkable facts came out of all this which were not reported by the media. Many people set aside the constitutional and political option to discuss a blueprint for society, a society based on human values and social measures that enrich all members of society and reflect the philosophy that we are our brother's keeper.

They rejected out of hand a number of corporate values, including those of multinationals who want no government intervention, and free trade where the profit motive is king and one must be competitive at any cost.

I am convinced the same exercise would produce the same results across Canada, in other words, all Canadians want to live in a country where human values come first, and the economy must serve the people, not the other way around.

* * *

CANADIAN ARMED FORCES

Mr. Philippe Paré (Louis-Hébert, BQ): Mr. Speaker, after strangely downplaying the importance of the increased number of suicides in the Canadian armed forces, and, in particular, among the military returning from peacekeeping missions, the Minister of Defence finally agreed yesterday to look into these tragic incidents.

The situation is very distressing. Why are members of the military more inclined to use external rather than internal resources to overcome the difficulties they face in adjusting on their return?

The official opposition wants answers to these troubling questions. It calls on the government to act quickly in this matter and make public the results of the Minister of Defence's internal inquiry.

* * *

NATIONAL DEFENCE

Mr. Bob Mills (Red Deer, Ref.): Mr. Speaker, five Airbuses purchased by the Department of National Defence at a cost of $250 million three years ago have spent 11 months of the year on the ground.

[*English*]

National defence's spending $250 million taxpayer dollars for planes to sit on the ground for 11 months of the year is beyond comprehension. All the while we are spending another $45 million per year just to move our troops around the country. What is going on?

While it has been clear that the defence minister has many troubles in his department, this simply cannot go on. These planes and all the money we have been spending is not in the best interests of our troops and not in the best interests of taxpayers.

So my message is, stop the waste and spend the money on better equipment for our troops who work so hard and make Canadians proud.

* * *

LIVER DISEASE

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, March was proclaimed Help Fight Liver Disease Month.

The liver is one of the body's largest and most crucial organs. Much like a complex chemical factory, the liver manufactures essential proteins, cleanses the blood and stores energy vital to the functioning of the human body.

There are over 100 known liver and biliary tract diseases, including hepatitis, cirrhosis and cancer of the liver. An estimated one in 12 Canadians of all ages, races and cultures are expected to develop a liver disease at some point in their lives.

For over 25 years the Canadian Liver Foundation has been striving to reduce the impact and incidence of all liver diseases through support for research and education. Health Canada contributes to the fight against liver disease through its support for research into improved treatment and prevention.

I salute the Canadian Liver Foundation and all its volunteers who worked during this Help Fight Liver Disease Month.

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FISHERIES

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, I rise today to speak about an issue that has been at the forefront of the news in my province of Newfoundland and indeed, all of Canada, the conservation of the turbot stock.

I congratulate the Prime Minister and the fisheries minister on their unfailing commitment to the preservation of the turbot stock on the nose and tail of the Grand Banks.

• (1115)

Last week I attended the 22nd annual meeting of the Canada and European Parliaments and had the opportunity to discuss with them fish conservation. I spoke to many European parliamentarians, including those attending the European fisheries committee. Many of these people expressed support for Canada's efforts to conserve turbot stocks from overfishing.

As a result of these talks a joint resolution was signed by members of both the Canadian and European delegations to these meetings. The resolution recognized the need to ensure that turbot and other fish stocks are fished in a sustainable manner so they can be conserved for future generations.

I look forward to further progress being made on this issue at the UN conference on straddling stocks that is presently taking place in New York.

* * *

THE CABINET

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, baseball fans are worried about the calibre of play this season if replacement players take to the field. If the second stringers in the Liberal cabinet are any indication, fans should be worried.

No one has dropped the ball more than the minister of defence playing outfield. He missed the signals on the Bosnia peacekeeping play. He misjudged airborne base hits and dropped the Fowler ball. He cannot find the bases because he keeps moving them.

Let us look at some of the other players. The heritage minister writes notes during the game. The minister of Indian affairs is drafting separate rules for aboriginal players. The health minister is headed back to the minors. She swings her bat without hitting. The minister for western economic diversification hits every ball to the centre fielder, named Winnipeg. The justice minister fired a bullet over the pitcher's head and was arrested for playing with an unregistered bat. The environment minister takes too big a lead off to suit the Prime Minister. She will be tagged out.

Fans know it is time to get concerned when the star player, the Prime Minister, tells the President of the United States that Canada has won the world cup of baseball two times in a line.

ORAL QUESTIONS

[*Translation*]

SOCIAL SERVICES

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, my question is for the Minister of Intergovernmental Affairs.

At a time when the federal government is bragging about the new freedoms it is giving the provinces in the areas of social assistance and post-secondary education, Ottawa is getting ready to impose new national standards in these areas of provincial jurisdiction, actually restricting the freedom of the provinces and of Quebec.

How can the minister reconcile the statements he made yesterday that the 1995 budget in no way shows any readiness on the part of the federal government to impose more national standards on the provinces, when legislative measures introduced since blatantly encroach on the powers of the provinces and of Quebec in areas which fall exclusively under their jurisdiction?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, no new conditions are set out in the omnibus legislation.

As the hon. member knows, the Canada Health Act already has a series of requirements for the provinces to meet. Those are being maintained. There are also requirements under the Canada assistance plan about mobility, to ensure that everybody in need gets assistance. Those are the conditions which are being put forward in the legislation, subject to future discussions and negotiations with the provinces to see how we can provide a more coherent approach to social programming across Canada.

Frankly, the assumption which the hon. member makes is simply not the case.

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I would like to point out to the minister that he is adding conditions. This having been said, how can the minister justify that the provinces, to whom the Constitution grants exclusive jurisdiction over social assistance and education, will only play a consultative role regarding the determination of the new national standards?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, the proposed transfer program is a clear recognition that the provinces can take more responsibility for making decisions.

We are freeing up and making far more flexible their choices of priorities within a broad range of programming on education, welfare and health. That is the whole point of consolidating the existing transfer system, to give the provinces the freedom of choice to look at programming which suits the individual needs of their own areas.

At the same time, it is a national transfer program. There are base conditions and those conditions are already X stamped, as we said in the budget itself, such as the five conditions under the Canada Health Act and the condition under the Canada assistance plan which protect the mobility rights of Canadians so they can move from one region to another and still be eligible for some form of assistance. Those are the basic conditions which were put forward.

• (1120)

[*Translation*]

Mr. Michel Bellehumeur (Berthier—Montcalm, BQ): Mr. Speaker, I understand clearly that national standards are here to stay.

But given the government's policy regarding transfer payments, which will ensure that Ottawa will dictate these national standards and will reduce the provinces to mere administrative branches, are we to take this as another example of the flexible federalism so touted by the Liberals?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, the hon. member is obviously trying to use scare tactics. The budget makes it clear that fewer strings will be attached to the Canada social transfer than was the case for transfer payments previously.

The conditions to be met in the area of health care remain the same, as is explained in the budget. There have never been any conditions tied to post–secondary education, particularly in Quebec, which has opted out since 1964. All the conditions tied to social assistance have been eliminated, excepting the one barring any minimum period of residency to qualify.

Therefore, it is very clear, and the budget states this, that any future federal–provincial agreement will be based on mutual consent and, consequently, contrary to what the hon. member would have us believe, there are fewer conditions to be met than before.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, while it is recognized that social assistance and education come under provincial jurisdiction, the federal government clearly shows its intention to interfere shamelessly in these areas of provincial jurisdiction by imposing its views and goals on the provinces through national standards.

My question is for the Minister of Intergovernmental Affairs. How can the minister reconcile this denial of the provinces' exclusive jurisdiction, which leaves the door wide open to confrontation with Quebec, and the openness, mutual understanding and flexible federalism he is talking about?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): Mr. Speaker, I am hearing the exact same argument being put forth again and it is as flawed as it was in the previous question. The budget clearly indicates that the requirements attached to social transfers will be reduced and that, if social assistance programs are subject to standards, these standards will be set by mutual consent.

This is mentioned several times in the budget. There is no mistake about it and I can only conclude that the members opposite are, once again, misrepresenting to the people of Canada and Quebec facts that are clearly stated in the budget.

Mr. Yvan Loubier (Saint–Hyacinthe—Bagot, BQ): Mr. Speaker, the mere fact of thinking about imposing standards or Canada–wide requirements in areas of exclusive provincial jurisdiction constitutes in itself interference in Quebec's exclusive jurisdiction. That is what the minister just said.

Some hon. members: Hear, hear.

Mr. Loubier: Will the minister acknowledge that explicitly linking transfer payments for social assistance, postsecondary education and health, which are areas of exclusive provincial jurisdiction, to strict compliance with national standards imposed by Ottawa looks like a new attack against Quebec?

Hon. Marcel Massé (President of the Queen's Privy Council for Canada, Minister of Intergovernmental Affairs and Minister responsible for Public Service Renewal, Lib.): The propaganda effort continues, Mr. Speaker. The Bloc Quebecois just keeps stating a position contradicted by facts, by the budget and by reality.

I can only repeat what I said earlier, namely that the budget is clear, that the requirements for social assistance have been reduced, that, if any standards are established, they will be established by mutual consent. It is very unfortunate that the opposition informs the people of Quebec so poorly on such major issues.

[*English*]

NATIONAL DEFENCE

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, it has been reported today that diplomatic sources and federal officials are deeply concerned that Canada's peacekeepers will be targeted by the warring factions in Bosnia and Croatia.

They say Canadian combat troops are entering one of the most dangerous conflict zones at a time when tensions are rising and fighting is escalating.

• (1125)

Given the government's expressed concern for the safety of our peacekeepers, why are we now sending more troops to Bosnia and Croatia?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, the hon. member knows very well that a variety of scenarios can exist on peacekeeping missions, particularly one of this nature where the requirements of the peacekeepers are so varied and different, whether it is in Croatia or in Bosnia.

He also knows that the Canadian forces have a number of contingency plans to counter any of these operations. We are prepared. We have contingency plans. He also knows that it would not be appropriate to divulge the contingency plans on the floor of the House of Commons. I see he is nodding, Mr. Speaker.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, the government's ad hoc approach to peacekeeping in the former Yugoslavia is unacceptable. It is sending our soldiers into a war zone with no criteria to judge when that mission is accomplished.

We are heartened to hear that the military is drawing up secret evacuation plans but it should not need to because the government should not be placing our troops in danger for what looks to be a futile cause.

What criteria has the government established to decide when our troops are to be withdrawn?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, perhaps if the hon. member had a conversation with the hon. member for Esquimalt—Juan de Fuca, who voted in favour of our troops in Yugoslavia, he may be enlightened as to what it is we are thinking about.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): We still did not find out the criteria, Mr. Speaker.

The last time the government renewed our mandate in the former Yugoslavia, the minister said he would reconsider our participation if the situation on the ground changed. The situation did change. Canadian soldiers were taken hostage and the minister was powerless to act. Instead of learning from the past, the government is making the same mistake again.

Lord Owen is right. Our peacekeepers are the best in the world. The government should not be putting them into obvious danger. Will it reconsider its decision and move to withdraw Canadian peacekeepers now while it has the chance?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, to correct what I said, there was no vote when we debated this a few nights ago.

The hon. member for Esquimalt—Juan de Fuca gave an eloquent discourse which indicated why he as a member of the third party supported our troops in continuing to discharge their mandate like the other 34 countries in the United Nations, no matter how tough it gets.

We don't quit when the going gets tough.

* * *

[*Translation*]

NATIONAL DEFENCE

Mr. René Laurin (Joliette, BQ): Mr. Speaker, my question is for the Minister of Finance.

This morning, we learned that five Airbuses bought in 1992 by the federal government from Canadian Airlines International, at a cost of $250 million, are grounded eleven months per year. At the same time, the government has a $45–million–a–year contract with that company, to transport military personnel.

How can the minister tolerate such a waste and, at the same time, hit the poor so hard by slashing $307 million in this year's budget for social housing, and over $6 billion in the UI program, in the last two budgets?

[*English*]

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): Mr. Speaker, I appreciate the question of the hon. member. Perhaps I could inform him and the House that the Canadian forces cannot afford to buy aircraft both for strategic airlift and for normal administrative movement of the troops.

The choice is to use either the airbus for strategic airlift and to contract out for administrative flights or to reverse it and to contract out for strategic airlift and use the airbus for administrative flights.

The hon. member may not be aware that we cannot rely on commercial aircraft for strategic airlift in time of crisis. We have decided to opt for using the airbus for strategic airlift, humanitarian purposes and for those things for which contingency plans are drawn up and may be required at a moment's notice.

[*Translation*]

Mr. René Laurin (Joliette, BQ): Mr. Speaker, how can the minister explain this situation other than by saying that Canadian Airlines International is being systematically favoured? First, that company benefitted from the sale of those aircraft to the government, then it was awarded the contract for their maintenance, and now it is enjoying a $45 million a year deal to transport Canadian troops while these Airbuses stay on the ground.

• (1130)

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, when the hon. member refers to the contract award to Canadian Airlines International by the Department of National Defence, he might want to take into account that at the time the tenders were called for that service to be provided both Air Canada and Canadian Airlines International made submissions.

What I thought interesting as a result of that is both airlines, particularly the airline not awarded the contract, Air Canada, stated publicly the process had been absolutely fair and appropriate.

* * *

INFLATION

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, the biggest economic news since the budget is inflation. During the last four months consumer prices rose at an annual rate of about 4.5 per cent, well above the target of 3 per cent set by the Bank of Canada.

In large part this inflation is caused by the depreciation of the dollar and the higher prices of imports and exportables it has brought.

Will the Minister of Finance admit this inflation if unchecked threatens living standards much more than the spending cuts needed to balance the budget and to fix the exchange rate?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, as the hon. member knows, one of the main reasons for the increase in inflation statistically was the actions of the tobacco factor into the new numbers compared with the previous numbers.

Inflation must be monitored. The Governor of the Bank of Canada has stated there are no inflationary pressures in Canada at the present time. However, to anticipate such pressures is clearly the responsibility of the Bank of Canada and the Government of Canada, and we shall exercise that responsibility.

Mr. Herb Grubel (Capilano—Howe Sound, Ref.): Mr. Speaker, it is clear there are different ways of measuring inflation. I am talking about the price increases in the last four months annualized, not year to year inflation where the tobacco increases are important.

The minister and the governor have already stated what the minister just repeated. However, unfortunately the tightening of monetary policy will again push Canada into a recession. It is inappropriate since inflation is caused not by excess demand but the depreciation of the dollar.

Will the Minister of Finance allow the Bank of Canada to precipitate another recession to fight inflation or will he do the right thing and stop the decline of the dollar by a new budget that eliminates the deficit promptly and decisively?

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, the member opposite knows full well the independence of the Bank of Canada is a very important asset to the country. Our record in terms of low inflation, while very dearly bought, is also a major asset in terms of job creation and it is something we intend to maintain.

The hon. member knows the last budget is also a major asset to the country.

* * *

[*Translation*]

KANESATAKE RESERVE

Mr. André Caron (Jonquière, BQ): Mr. Speaker, my question is for the acting Prime Minister.

Yesterday the Prime Minister refused to rule out the possibility that Ottawa would hold discussions with Chief Jerry Peltier and the band council about setting up a casino at Kanesatake, although the Government of Quebec has categorically refused to consider it, primarily for reasons of security.

Given the refusal by the Government of Quebec, the sole games and lotteries authority, can the federal government tell us whether it plans to continue discussions with Jerry Peltier?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, we are well aware of the fact that casinos are a matter of provincial jurisdiction at the moment, and I hope that it will be possible to have discussions with parties wishing to set up casinos anywhere in the country.

Mr. André Caron (Jonquière, BQ): Mr. Speaker, given the minister's response, are we to assume that the federal government will put an end to any discussion, present and future, on setting up a casino in Quebec?

• (1135)

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, there are rights of discussion and free speech in this country. The Government of Canada cannot stop anyone from

discussing anything. However I repeat that currently casinos come under provincial jurisdiction.

* * *

[*English*]

GUN CONTROL

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, yesterday the police association announced it was withholding support for the minister's gun control measures until it has the assurance the criminalization of current lawful firearm owners, such as non–compliance with registration, is taken out of the Criminal Code.

In view of this, will he now consider addressing the two areas separately, one that imposes stricter penalties for the criminal use of a firearm and one that deals with the regulation and ownership of a firearm?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I must slay the hon. member's beautiful hypothesis with a brutal fact. Yesterday the Canadian Police Association, representing some 35,000 frontline police officers, endorsed every element of the government's firearms package.

I shall be happy to share with the hon. member a copy of the resolution. It endorsed the government's prohibition on small calibre handguns. It endorsed the government's prohibition on assault weapons and it endorsed registration of all firearms.

In respect of the specific registration system proposed in Bill C–68, the Canadian Police Association endorses it subject only to two points, that the costs would not be taken from the operational budgets in place at present for the police, assurance of which I gave readily yesterday, and that some means be found by which first offences for non–registration could be dealt with on a regulatory rather than a criminal basis.

In respect of the second point, I expressed concern about achieving compliance. The response given by the police association was that perhaps instead of a criminal offence, if someone does not register, the first time around their gun should be confiscated. My response was that based on that approach perhaps we can do business.

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, I have in my possession the stand the Canadian Police Association has issued. It is clear it has concerns in other areas such as the lack of enforcement regulations within the statute and the existing Criminal Code.

The police association has expressed concern about the inadequate enforcement of the present laws, as many of us are concerned. In Cornwall last year eight individuals were charged with possession of a prohibited weapon, three semi–automatic weapons, breach of probation and possession of drugs. They were given a $1,000 fine.

Given what the police association has said, given the case in Cornwall and other similar cases across Canada, what guarantees can the minister give us regarding the administration of justice? Will it provide for the adequate enforcement of the laws he is creating?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, in the course of the CPA's discussions this week on a whole range of justice issues, it identified areas where we can do better. There is no question there is room for improvement in every part of the criminal justice system.

It endorsed the firearms proposals by the government. The question had to do with enforcement mechanisms for criminal law. I assured the Canadian Police Association yesterday and throughout the week that we look forward to having its specific representations to the committee when it appears before it. If it has suggestions about improvements on the enforcement side, then working with the provinces, which are responsible for the enforcement of criminal law, we should be happy to see to it.

* * *

[*Translation*]

MARINE TRANSPORT

Mr. Roger Pomerleau (Anjou—Rivière–des–Prairies, BQ): Mr. Speaker, my question is for the Minister of Transport.

As a result of an administrative error made by Transport Canada employees, who, in July, applied measures which were only to take effect in September, Canadian and foreign shipowners were overcharged more than $1 million. Instead of refunding the money, the minister is looking at introducing retroactive legislation to legalize this illegal collection of fees from shipowners.

• (1140)

Will the minister admit that the bill that he is getting ready to introduce legalizing this over–billing is a retroactive measure which fully goes against the fundamental principles of a society based on the rule of law?

Hon. Douglas Young (Minister of Transport, Lib.): No, not at all, Mr. Speaker. It all started with an administrative error, but shipowners knew exactly what they were supposed to pay. A standing joint committee acknowledged that an administrative error had been made. It is nothing new in such situations to correct the error through legislation, without there being any bad intentions on anybody's part.

Mr. Roger Pomerleau (Anjou—Rivière-des-Prairies, BQ): Mr. Speaker, how can the minister justify penalizing businesses retroactively for an error committed by his own employees?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, the error committed is one fully admitted to. The difference is who the Bloc Quebecois wants to pay for the error.

The vessel owners understood there were fees to be paid. They paid them. There has been an administrative error. It is not unusual to have the Bloc Quebecois try to have the taxpayers of Canada pay for administrative errors easily corrected by legislation.

* * *

GUN CONTROL

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

Obviously my Reform colleagues did not understand the importance of the decision and the resolution taken yesterday by the Canadian Police Association in response to its appreciation for the safety to be brought to communities by the legislation.

Would the minister explain to us exactly who the Canadian Police Association represents? Is it not the policemen who work on the streets in our communities from coast to coast?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it is indeed.

We have had for several months now on the record a resolution passed by the Canadian Association of Chiefs of Police calling for a variety of measures with respect to firearms already in Bill C–68 and supporting full registration.

Until yesterday the Canadian Police Association, which represents the rank and file police officers, had withheld expressing a position on the bill or on registration until it had a chance through its own firearms committee to canvass the views of working police officers across the country.

Yesterday delegates from across Canada came to Ottawa for the purpose of making up their minds. They debated the issue and issued resolutions in which they support every element of the firearms bill the government has put forward subject to the conditions I have mentioned having to do with budgets and with decriminalization of the first offence.

It is extremely significant that this is a group representing the working rank and file police officers on the streets, the persons we look to for safety in the communities.

PATRONAGE APPOINTMENTS

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, Reformers knew it was only a matter of time before the Prime Minister got back into patronage as usual.

Unlike his colleague, Jean–Robert Gauthier, Mr. Berger will not be given a seat in the Senate but will be made ambassador to Israel. Perrin Beatty, who stands to receive $5 million from the MP pension plan, has been today appointed to the presidency of the CBC. I am sure he will give up his pension as a condition of that.

My question is for the Acting Prime Minister. Between junkets abroad and patronage appointments, why does the Prime Minister insist on doing business the same way Mulroney did, especially since the Liberals raised such a big stink on these matters when they were on this side of the House?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, with respect to Mr. Berger, what was in the press is simply speculation. Unless and until something happens in that regard, there is really nothing to comment on.

With respect to Perrin Beatty, he is an experienced former parliamentarian and minister who held portfolios involving national revenue, foreign affairs and communications. It is felt he has the necessary skills and experience to handle the position of the president of the CBC.

I can confirm his salary will be reduced by the amount of his pension. Therefore he will not be double dipping. Furthermore, since Mr. Beatty sat in the House as a Conservative, it is not a partisan political appointment.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, patronage is patronage.

Some hon. members: Oh, oh.

• (1145)

Mr. Silye: Patronage is an appointment or a promotion given by a patron to a former patron. Politicians are all part of the same old club. It is plums and rewards like this that Reformers want to put an end to.

I have a supplementary question. With Kim Campbell going off to Moscow when can we expect to hear or when can we get confirmation that Mr. Brian Mulroney will be singing "When Irish Eyes are Smiling" from the Emerald Isle?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the law passed by Parliament gives the responsibility to the government to appoint the president of the CBC. It is a responsibility that has to be carried out in order to ensure that vital national institution operates.

With respect to his idea that any appointment made by government is improper patronage, I regret very much that he is criticizing so severely the fact that his leader's father has been sitting in the Senate under similar circumstances for many years. He ought to be ashamed of himself for attacking his leader's father.

Mr. Silye: He should have been elected.

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[*Translation*]

NCC CHAIRMAN

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, the chairman of the National Capital Commission, Mr. Marcel Beaudry, says that he attended a fundraising dinner organized by the Liberal Party of Quebec because this was an activity for the No committee. However, the dinner invitation, printed on party stationery and signed by Mr. Beaudry, clearly refers to a fundraising dinner for the Liberal Party of Quebec, which was confirmed by the Liberal MNA for Chapleau, who said she had collected $30,000.

My question is directed to the Minister of Canadian Heritage. Considering these new facts, does the minister agree that Mr. Beaudry knowingly lied before the Standing Committee on Canadian Heritage last Tuesday?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, I was asked a similar question a few days ago. I said quite frankly—

Some hon. members: Oh, oh.

Mr. Dupuy: Will they for once have the courtesy to listen to the answer?

The Speaker: Hon. members, the questions are legitimate and so are the answers. I would ask you to listen to the answers as well. The Minister of Canadian Heritage.

Mr. Dupuy: Thank you, Mr. Speaker. The other day, when similar charges were made, I said that the chairman of the National Capital Commission had the right to exercise his rights as a citizen during his leisure time.

That is what he did. The event took place on a Saturday night. I do not expect the chairman to be at his office on Saturday night.

Mr. Gaston Leroux (Richmond—Wolfe, BQ): Mr. Speaker, obviously, the Minister of Canadian Heritage is not prepared to act responsibly and do his homework.

My supplementary is directed to the Acting Prime Minister. In the light of these new facts, including the letter signed by Marcel Beaudry on Quebec Liberal Party stationery and what was said by Mr. Beaudry and the MNA for Chapleau, does the Acting Prime Minister intend, once again, to submit this case to the ethics counsellor for an opinion and to release that opinion once it is received?

Hon. Michel Dupuy (Minister of Canadian Heritage, Lib.): Mr. Speaker, our colleagues are so blinded by their own political passion they are now asking me to prevent a Canadian from exercising his political rights in this country. I certainly have no intention of doing so.

* * *

[*English*]

CRIMINAL CODE

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, on Wednesday an Ontario court justice ruled that the section in the Criminal Code dealing with criminally insane patients was unconstitutional. The judge has given the government six months to change the section.

• (1150)

What actions will the government be taking to meet the September deadline?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, first, I believe the Ontario government will be considering the question of whether to launch an appeal as it is a party to the proceeding. The federal government intervened at the first instance and, if an appeal is launched, may well intervene at the appellate stage as well.

Second, depending on whether an appeal is taken and obviously depending on the timing of an appeal if it is brought, it may be necessary to apply for an extension of the six–month period which is permissible under the rules of the court. If that were to be necessary I have no doubt that such an application would be considered and, if appropriate, it would be brought.

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Mr. Speaker, Canadians are already concerned about high risk offenders walking the streets of their communities.

What assurances can the minister give Canadians that the government is taking steps to prevent innocent citizens from all high risk dangerous offenders, whether or not they are criminally insane?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I know of the hon. member's continuing concern in this area. I want to assure her that I share it and that steps are being taken.

We have already announced our intention to strengthen the existing dangerous offender provisions in the Criminal Code. Two weeks ago the Solicitor General announced the new flagging system to make it easier for prosecuting lawyers to have information about what people should be subject to such applications.

In addition we have announced our intention to introduce legislation to strengthen the dangerous offender provisions by removing the requirement for two psychiatric opinions before the court. We are also looking favourably at the recommenda-

tion from the federal–provincial–territorial task force to add long term offenders as a category to the code.

In May the Solicitor General and I will be convening a meeting of constitutional experts and others to look at other strategies we can take within the law to protect society from those who are at high risk of reoffending.

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INFORMATION HIGHWAY

Mr. Gordon Kirkby (Prince Albert—Churchill River, Lib.): Mr. Speaker, Canada's move toward a knowledge based economy presents tremendous economic and educational opportunities for all Canadians. It is very important that these opportunities are made available to all Canadians, not only those in urban areas but those in rural and remote areas as well.

Could the secretary of state tell the House what steps the government is taking to ensure that Canadians in rural and remote areas will have access to the opportunities afforded by the information highway?

Hon. Jon Gerrard (Secretary of State (Science, Research and Development), Lib.): Mr. Speaker, as member for the rural riding of Portage—Interlake I share the hon. member's concern for rural areas and thank him for his question.

The government is working very hard through programs like SchoolNet, the community access centres and the senior centre information project to ensure the information highway gets out to all areas of Canada and that rural Canadians can benefit equally with urban Canadians.

The community access centres program is now being piloted. The first official competition will be due in October. We are working hard so that the program will be a success and will enable rural communities to participate. Members of Parliament will be fully briefed on the program before the summer break so they can help their communities in submitting briefs and empower people from one end of the country to the other to participate fully in the information highway.

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[*Translation*]

AIR CARRIERS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, my question is for the Minister of Transport.

The minister is always telling us about the progress he has made in the air transport industry and the satisfaction expressed by the presidents of the two main carriers. In fact, since his international route allocation policy was announced in late December, and because of his decisions systematically favouring Canadian International in the allocation of international routes, Air Canada shares are taking a beating on the stock market.

My question is this: How can the minister maintain that he acted fairly and equitably, when, according to Standard and Poor, Air Canada has been hurt by the minister's recent decisions giving Canadian International access to the American market, Chicago and New York in particular, without any compensation for Air Canada?

• (1155)

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, as you can appreciate, the financial situation of any company with publicly traded shares is a very delicate subject matter.

I must, however, tell my hon. colleague that the reason why I say that we have acted as equitably as possible in this whole matter is that, after years of controversy and difficulties in the Canadian air transport industry, the directors of both carriers are telling us and stating publicly that we have acted fairly and efficiently.

My hon. colleague should know, for example, that Air Canada decided the day before yesterday to proceed with a $500 million share issue and that, throughout this process, Air Canada notified Canadians that it had to purchase new planes and hire over 600 people. I think that, if we in the House of Commons want to be fair and equitable, we should realize that great progress has been made. The situation is not perfect, but we think that both carriers are about to experience years of growth that will be much more interesting than what we have seen in the past.

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, how can the minister draw a parallel between Hong Kong, a route which Air Canada is ready to start servicing in the summer, thus creating 500 jobs, and Germany, a route which Canadian cannot even start servicing by the end of the year because it does not have enough planes?

[*English*]

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, it is very simple how we rationalize the decisions with respect to all our cross border and international air travel.

If I use the thesis put forward by my hon. friend, we would not have attributed all the rights we were able to negotiate with the United States. My hon. friend will know that Air Canada has orders with major aircraft manufacturers both in Canada and outside the country to be able to service the routes we have been able to negotiate internationally and with the United States.

If it were a question of only attributing routes or making it possible for Air Canada and Canadian to fly to areas where they have the aircraft for it, there would be a lot of things we would not do that we have already done.

We are saying to Air Canada and to Canadian Airlines International: "This is where you can go. This is how we arrived at the decision. This is how you can plan for your future". That is why they can go out now and negotiate for the purchase or the lease of aircraft to be able to fly to routes that were closed to both Air Canada and Canadian Airlines International in the United States and around the world.

If the hon. member were to be careful and understand what we have achieved for airports across the country and for employees of both airlines, he would tell us that by the end of 1995 we will have done more to improve the situation for both airlines than was done in the previous 15 or 20 years in the country.

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CANADA POST

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, it has recently come to our attention that the RCMP is investigating developer Jose Perez and his dealings with government officials.

I would like to have, if possible, the Solicitor General confirm or deny this report.

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, it has never been customary in the House to confirm or deny RCMP investigations.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I will switch my tone then.

Let us talk about the Auditor General's report. On March 20 when I asked the minister a question he responded by quoting a special Auditor General's report. We found out that it had nothing to do with the question I asked. The dealings with Canada Post were not even mentioned.

Why would the minister of public works quote from that report because it has nothing to do with the matter?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, aside from the fact that it is not a supplementary to the member's first question, I want to say that I will be happy to inform myself further about what the report says or does not say, and then I will get back to the hon. member.

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IMMIGRATION

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, my question is directed to the minister of immigration.

The question concerns refugees who do not intend to buy 40–inch TV sets as their second or third purchase in Canada.

As the minister is aware no other country in the world charges a fee of $975 for refugees. He has assured us, however, that loans will be available to refugees from poorer countries who cannot afford the $975 fee. There is a catch–22 however.

• (1200)

My question is for the minister of immigration. Will he deny entry to those immigrants and refugees who do not meet the criteria to repay the loan? Will he assure us that no refugee will be denied entrance into Canada even though they cannot pay the $975 fee and do not meet the criteria for qualifying to receive a loan?

Hon. Sergio Marchi (Minister of Citizenship and Immigration, Lib.): Mr. Speaker, it is not true that other countries do not charge various processing fees. We have decided to charge a landing fee, not a refugee fee, for accessing our system for two reasons. The first is so all newcomers to the country can join other Canadians in all walks of life in ensuring the prosperity of Canada into the future.

The second reason we are charging a landing fee is to ensure the settlement services will continue. It is the people who the member talks about that are in need of the settlement services the most. If we were not going to go the route of the fee, my impression would be that settlement would become a thing of the past. Therefore, we are doing it with the intention of helping the neediest coming into our country.

On top of that, the Minister of Finance has instituted a loan program so they can take out a loan and repay the $975 to ensure their future in the best country of the world, just like kids of Canadian parents ask for loans of tens of thousands of dollars for education so that they too can ensure their future.

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TAXATION

Ms. Beth Phinney (Hamilton Mountain, Lib.): Mr. Speaker, my question is for the Minister of Justice.

It is nearly a year since the Supreme Court ruled on the Suzanne Thibaudeau case on taxation of child support payments. At that time the government promised action on the level, enforcement and taxation of child support payments.

Can the minister tell the House why no action has been taken to make sure Canadian children get the support they need and deserve?

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, it is true that the government has not announced a formal plan in relation to this matter, but there has been a great deal of action. A great deal of work has been done over the last 10 months on the subject of child support.

The government is approaching the issue based on three principles. First, that there should be guidelines or a formula provided by statute to assist the court in determining the amount to be paid for child support to relieve the parties of the expense and anguish of determining that through litigation.

Second, that the tax system should be examined to determine that it is fair to both custodial and non–custodial parents in providing the best for the children of separated families.

Third, that there is an effective national strategy for enforcing court orders once they are made.

In relation to the first matter, the federal–provincial–territorial report with respect to child support was published last January. It contains specific amounts in a proposed formula that is now under public discussion. We are learning from that discussion.

Second, in terms of tax, the Minister of Finance has been at work in that area and is completing an analysis of the options.

Finally, in enforcement, we have developed proposals that will be announced with the other two elements of the package which we believe will enhance the enforcement of support orders across Canada.

The Speaker: This brings to a conclusion question period, but I have a point of order by the hon. member for Crowfoot.

* * *

POINTS OF ORDER

QUESTION PERIOD

Mr. Jack Ramsay (Crowfoot, Ref.): Mr. Speaker, I rise on a point of order because I believe that the Minister of Justice has contravened the sub judice conventions of this House.

In response to my question on Monday, March 27 he stated, and I quote from *Hansard* page 11065:

> The judgment that has been referred to is under appeal because the federal government believes at first instance it was simply wrong.

He goes on to state:

> We feel in good faith the judgment at first instance in Alberta was wrong. We will pursue that appeal with every confidence that we shall win it.

Furthermore, on Wednesday, March 29, the minister, in response to a question by my colleague from Yorkton—Melville, stated, and I quote from page 11193 of *Hansard*:

> The fact is that the judgment has been appealed. We are taking the position in the Court of Appeal that the judgment was in error.

Point of Order

• (1205)

Mr. Speaker, as you know citation 505 of Beauchesne's sixth edition states:

> Members are expected to refrain from discussing matters that are before the courts or tribunals which are courts of record. The purpose of this sub judice convention is to protect the parties in a case awaiting or undergoing trial and persons who stand to be affected by the outcome of a judicial inquiry. It is a voluntary restraint imposed by the House upon itself in the interest of justice and fair play.

Furthermore, citation 506(1) and 506(2) state:

> (1) The sub judice convention has been applied consistently in criminal cases.
>
> (2) The precedents in criminal cases are consistent in preventing reference to court cases before a judgment is rendered; however, the convention ceases to apply after the judgment is given. Nevertheless, the convention is applied again when an appeal is launched.

Applying the sub judice convention, the hon. minister has put on the record that the Simmerman case is under appeal and he, with respect, has commented on the case. He has stated on more than one occasion that the judgment was an error. Mr. Simmerman's interests could be negatively affected by the minister's comments.

The convention covers all members of the House. This instance, with respect, also brings the issue of undue influence or ministerial interference into play. Ministers must be even more circumspect with their comments and actions due to their positions. With issues within their sphere of responsibility, they must be even more vigilant.

Here we have the Minister of Justice not only discussing a criminal case which is before the Alberta Court of Appeal, but he also stated that the original decision of the Court of Queen's Bench was wrong.

I suggest that this is where section (2) of citation 506 has been contravened, when it states:

> —the convention is applied when an appeal is launched.

This convention has come to be especially for cases like this. I think members of the House will agree that the Simmerman's interest of justice and fair play have been compromised by the statements made by the minister.

I also bring the attention of the House to citation 493 of Beauchesne, whereby members are not to make personal attacks or censure judges and courts of justice.

The Minister of Justice on numerous occasions has stated that the decision of the Alberta Queen's Bench was wrong or in error. Furthermore, I would like to bring to the attention of the House to the case, re Oulette Nos. 1 and 2, cited at 32 Criminal Cases, second edition, page 149 whereby the Minister of Consumer and Corporate Affairs at that time was held in contempt by the Quebec Court of Appeal for making disparaging remarks about a trial judge's decisions.

Point of Order

Mr. Speaker, I ask that you rule on the minister's comments and if he has, in fact, contravened the sub judice convention and/or citation 493.

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I rise in response to the hon. member's point of order.

First, I take very seriously my responsibilities both here in the House and outside, to respect the jurisdiction of the court, to abide by the sub judice rule and to bear in mind that as minister of the crown, I have responsibilities quite different from those judges of the courts of the country.

I contend as well that nothing I have said here or elsewhere in relation to the Simmerman case or its principle has offended the rule against commenting on cases before the courts.

May I first observe that it is passing strange that the hon. member should first ask me about a case in the House and then raise a point of order because I commented on the case in answering his question. It was in answering the very question put by the hon. member that I am alleged to have breached the rule. I was simply responding to a question put by the hon. member, and doing so in good faith.

Second, as I mentioned the other day, when the hon. member raised this point in question period, there is a great deal of difference between on the one hand commenting on the facts of a criminal case which is in process, whether at trial or on appeal, in a fashion that might prejudice the party, the accused, by indicating what findings should be made or who committed what act—that is highly improper—and on the other hand simply observing that we take a different legal interpretation of a statute which, in fact, is what is at issue in the Simmerman case.

• (1210)

I have said that we regard the legal interpretation put on the Criminal Code and the relevant sections at trial as not being the correct one. In fact, the Alberta government is appealing. The appeal is expected to be heard by the Alberta Court of Appeal in about September of this year. The federal government is now considering whether it will intervene in the appeal to put its point of view before the Court of Appeal.

There is precedent for the proposition. I say there is nothing at all wrong with a minister saying that we take a different legal interpretation of a statute than that put on the statute by a court.

It follows that the interpretation relied on by the court at first instance is not in accord with our interpretation. I suggest what is an issue here is that first we must show proper deference and respect to the court and its process and second, nothing must be said or done by a minister or a member that would prejudice the rights of parties in a pending case with respect to matters of fact.

I say that neither of those principles has been offended by anything I said or did. This point of order is without foundation.

Mr. Don Boudria (Glengarry—Prescott—Russell, Lib.): Mr. Speaker, I wish to comment very briefly to add to what the hon. minister said.

First, in terms of the sub judice convention and citation 505 of Beauchesne's, it is obvious its purpose is to protect the parties in the case before the court. A member of Parliament has asked a question in the House to which the answer was the position the government would be taking vis–à–vis a particular case in an appeal.

It stands to reason that if the government is appealing the case, it is appealing it because it feels the original decision was in error; otherwise there would be no point in appealing a particular decision.

Second, the reference to the Oulette case is extremely inappropriate; it does not apply to this case. That particular issue had nothing to do with a comment made on the floor of the House of Commons, as the Speaker will obviously determine when he reviews the material surrounding that case.

Mr. Speaker, finally, you will recall through all cases I remember in the House of Commons where the sub judice rule has been invoked, it has been invoked and usually ruled on by the Speaker to ensure members do not ask questions in the House that are sub judice.

If there is a case to be made here, it is that the question should not have been asked as opposed to should not have been answered. Therefore, I am forced to turn the table around and to urge the Speaker that if someone is admonished, it should be in such a way as to remind the hon. members not to ask questions when the questions are sub judice.

Mr. Elwin Hermanson (Kindersley—Lloydminster, Ref.): Mr. Speaker, I would like to bring two more facts to light with regard to this point of order.

First, when the question was asked, it was asked with regard to orders in councils that had been ruled out of order by this case. The question was whether or not the Minister of Justice had the authority to continue making those decisions. It was not a reflection on the case in Alberta.

The second point I would like to make is this. The federal government did not have intervener status in the provincial court case, so the federal justice minister really had no authority to make an intervention in a case that was not under his jurisdiction.

Those are two very important points that need to be brought to your attention, Mr. Speaker.

The Speaker: Colleagues, I am going to take all of the debate under advisement. I want the House to recognize and realize that in the case of a convention, it is under the discretion of course of the Chair to make whatever appropriate decision there is.

I would like to point out to all hon. members that the case of a convention is like an agreement, a tradition that we go by in this House of Commons.

• (1215)

Whenever a case has been before the courts, there has been no question there cannot be reference to that case in the House of Commons.

Most of the time this is left in the hands of the members, in their good judgment. In the case of a member asking a question he or she should take into consideration whether there is any infringement on this convention in any way.

On the other hand, when a responder is put in that position, he or she also must weigh this. Basically it comes down to members themselves.

With regard to this case, two cases have been put forth. I will look at all the interventions put forth. I am sure the House will give me the time to review precisely what was said in the original statements.

If there is need to come back, I will but I would like some time to review the whole matter again and perhaps give a little more direction to the House as to what direction we should be going in the case of a convention of the House.

If members would leave this with me, I will get back to the House at the earliest time if necessary.

* * *

[*Translation*]

WAYS AND MEANS

NOTICE OF MOTION TABLED

Hon. Paul Martin (Minister of Finance and Minister responsible for the Federal Office of Regional Development—Quebec, Lib.): Mr. Speaker, pursuant to the provisions of Standing Order 83(1), I have the honour to lay upon the Table a Notice of Ways and Means motion to amend the Excise Tax Act.

I ask that you designate an Order of the Day for the consideration of the said motion.

ROUTINE PROCEEDINGS

[*English*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to a number of petitions.

* * *

COMMITTEES OF THE HOUSE

NATIONAL DEFENCE AND VETERANS AFFAIRS

Hon. William Rompkey (Labrador, Lib.): Mr. Speaker, I have the honour to present the first report of the Standing Committee on National Defence and Veterans Affairs, in both official languages, on its deliberations on Bill C–67 with amendments.

* * *

BUFFALO AND FORT ERIE PUBLIC BRIDGE COMPANY ACT

Hon. Douglas Young (Minister of Transport, Lib) moved for leave to introduce Bill C–81, an act to amend an act respecting the Buffalo and Fort Erie Public Bridge Company.

(Motions deemed adopted, bill read the first time and printed.)

* * *

PETITIONS

GUN CONTROL

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, it is my privilege to introduce two petitions. One petition is from people in my constituency in Balcarres and Fort Qu'Appelle.

The petitioners request that Parliament support laws that will severely punish all violent criminals who use weapons in the commission of crimes, support new Criminal Code firearm control provisions and support legislation that will repeal and modify existing gun control laws that have not improved public safety.

SOCIAL PROGRAMS

Mr. Simon de Jong (Regina—Qu'Appelle, NDP): Mr. Speaker, the other petition is from people across Canada.

The petitioners point out the importance of the social programs as the fabric of Canadian society, the importance that Canadians have access to proper health care, old age security, et cetera.

• (1220)

They are petitioning Parliament to maintain and enhance the social programs which are our right and heritage.

HUMAN RIGHTS

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, I have three petitions to table.

The first petition calls on Parliament to amend the Canadian Human Rights Act to protect individuals from discrimination based on sexual orientation.

GUN CONTROL

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, the second petition calls on Parliament to reject the legislative proposal and to direct the Minister of Justice to reconsider his approach with respect to the gun legislation.

HUMAN RIGHTS

Mr. Werner Schmidt (Okanagan Centre, Ref.): Mr. Speaker, the third petition asks Parliament to oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms which provide for the inclusion of the phrase sexual orientation.

[*Translation*]

HUMAN RIGHTS

Mr. Réal Ménard (Hochelaga—Maisonneuve, BQ): Mr. Speaker, pursuant to the relevant provisions of our Standing Orders, I have the pleasure of submitting a petition signed by 41 petitioners who call upon Parliament to act swiftly to amend the Canadian Human Rights Act to explicitly proscribe discrimination based on sexual orientation in every area under federal jurisdiction and take the necessary steps to have same sex live-in partners recognized in federal legislation.

[*English*]

ASSISTED SUICIDE

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the honour to present a petition signed by approximately 100 residents of Fredericton—York—Sunbury and neighbouring ridings which calls on Parliament to ensure present provisions of the Criminal Code of Canada prohibiting assisted suicide be enforced vigorously and that Parliament make no changes in law that would sanction or allow the aiding or abetting of suicide or any activity designed to terminate human life.

HUMAN RIGHTS

Mr. Tony Valeri (Lincoln, Lib.): Mr. Speaker, pursuant to Standing Order 36, I have the honour to table two petitions signed by the constituents of Lincoln.

The first petition calls upon Parliament not to amend the Canadian Human Rights Act or the charter of rights and freedoms by the inclusion of the phrase sexual orientation.

The second petition calls on Parliament not to amend the Canadian human rights code to extend spousal benefits to same sex partners.

[*Translation*]

VOICE MAIL

Mr. André Caron (Jonquière, BQ): Mr. Speaker, I have the honour to present a petition signed by 257 petitioners from my riding who pray and call upon Parliament to ask the government to abandon plans for voice mail for seniors.

[*English*]

HUMAN RIGHTS

Mr. Barry Campbell (St. Paul's, Lib.): Mr. Speaker, I am pleased to present a petition signed by over 50 people who live in and around my constituency which calls on Parliament to amend the Canadian Human Rights Act to protect individuals from discrimination based on sexual orientation.

Mr. Lyle Vanclief (Prince Edward—Hastings, Lib.): Mr. Speaker, I have the honour to table two petitions.

The first petition is signed by 53 people. It requests the government not amend the Canadian human rights code and the Canadian Human Rights Act in any way which would tend to indicate societal approval of same sex relationships or homosexuality.

BILL C-41

Mr. Lyle Vanclief (Prince Edward—Hastings, Lib.): Mr. Speaker, the second petition is signed by 46 people and calls on the government to request Parliament to delete section 718.2 from Bill C-41.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, the following question will be answered today: No. 134.

[*Text*]

Question No. 134—**Mr. Breitkreuz (Yorkton—Melville):**

Will the government please provide statistical evidence showing that violent crime has been and/or will be reduced and that public safety has been and/or will be improved by each of the following measures (*a*) the registration of handguns and other restricted firearms, (*b*) the prohibition of various types of firearms, (*c*) Firearms Acquisition Certificates, (*d*) the inclusion of safe storage, handling and transportation provisions in the Criminal Code of Canada, (*e*) restricting the sale of ammunition, and (*f*) the implementation of a universal registration system for firearms and firearms owners?

Mr. Russel MacLellan (Parliamentary Secretary to Minister of Justice and Attorney General of Canada, Lib.): The firearms legislation of 1978, 1992 and the current legislative proposals have all introduced several different firearm control measures concurrently. As such, it is not possible for researchers and statisticians precisely to determine the extent to which specific control measures are or will be responsible for reductions in violent crime and increases in public safety in Canada.

The following reports were produced for the Department of Justice Canada to provide the Minister of Justice and the government with background research and statistical information. These reports are available from the research and statistics directorate of the Department of Justice: "Firearm Ownership in Canada," 1991, by Angus Reid Group, Inc. (TR1991–8a); "Domestic Homicides Involving the Use of Firearms," 1992, by Dansys Consultants (WD1992–20e); "Gun Availability and Firearms Suicide," 1992, by S. Moyer and P.J. Carrington (WD1993–3e); "The Use of Firearms in Criminal Incidents in Toronto," September, 1994, by L. Axon & S. Moyer (WD1994–19e); "Review of Firearms Registration," 1994, by T. Wade and R. Tennuci of RES Policy Research Inc. (TR1994–9e); "Research on the Application of Section 85 of the Criminal Code of Canada," 1994, by C. Meredith, B. Steinke, and S. Palmer (WD1994–20e); "Firearm Statistics," October, 1994, by Kwing Hung, Department of Justice Canada.

[*English*]

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

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

Some hon. members: Agreed.

GOVERNMENT ORDERS

[*English*]

BUDGET IMPLEMENTATION ACT, 1995

The House resumed consideration of the motion.

Mrs. Jean Payne (St. John's West, Lib.): Mr. Speaker, when I was speaking earlier today I was referring to the Canada social transfer.

By announcing the changes to its transfer payments this year, to take effect next year, the federal government has given the provinces plenty of notice of the changes so they may have time to prepare.

Statistics show that under the CST total transfers, including equalization to the most needy provinces such as Newfoundland, will actually increase in 1996–97 compared with 1994–95. Total transfers including equalization to Newfoundland in 1996–97 will increase by $28 million compared with the 1994–95 levels. This demonstrates the federal government's commitment to both national standards and equalization among provinces.

• (1225)

Other initiatives to social security under the budget include an announcement that changes are to be introduced in September to reform unemployment insurance. These changes are to result in a reduction of 10 per cent to the overall size of the unemployment insurance program. In undertaking these reforms the Minister of Human Resources Development faces many challenges and has an abundance of conditions to rely on.

This past fall the Standing Committee on Human Resources Development undertook extensive consultations with Canadians on the topic of social security reform. During these consultations witnesses came forward time after time to tell the committee unemployment insurance systems often discourage people from getting back to work. People tell stories of being denied unemployment insurance because they wish to upgrade their skills while others get paid to stay home. Others tell of declining benefits while individuals whose spouses earn over $100,000 a year collect generous benefits.

The impetus for any change in the unemployment insurance system must be to design a system that has as its underlying goal helping people get back to work while providing the limited resources available to those most in need.

The Minister of Human Resources Development will keep these goals in mind when he prepares to make the necessary reform to the unemployment insurance system.

On the scheme of social security reform the finance minister has promised to release a paper on the changes required to the public pension system in order to ensure its continued sustainability as our population ages. The underlining goal again in this review will be to ensure those most in need receive the limited resources available. Therefore old age security benefits will be provided on the basis of family income as is currently the case with the guaranteed income supplement. In addition, the Canada pension plan will be reviewed this fall to ensure its continued sustainability.

Another area I would like to address is the impact of the budget on small business. Small business is the engine that drives our economy. Today over 99 per cent of all businesses in Canada employ fewer than 100 people. The small business sector accounts for 40 per cent of Canada's GDP. More important, it now accounts for over half of all the private sector employment.

A recent survey by the Canadian Federation of Independent Business cited the deficit–debt as its number one concern. The finance minister listened to this concern and is maintaining his commitment to lowering the deficit, thereby providing the environment needed for small business to prosper. A lower deficit also means lower interest rates for small business borrowers.

The inability to access financing has also been cited by small business groups as an area of major concern. To this end the government has announced it will be working with the banks to devise meaningful performance benchmarks for small business financing. It is expected this process will be completed by the fall of this year. This will make loans more accessible to small business which in turn will generate job growth.

The government has further demonstrated its commitment by maintaining tax preferences for small business such as the $500,000 lifetime capital gains exemption for small business shares and a lower tax rate on the first $200,000 of income.

These measures in conjunction with measures to reduce the paper burden should ensure continued job creation through the small business sector.

I wish to speak on a topic closely intertwined with my home province of Newfoundland, changes the budget will bring about in the Department of Fisheries and Oceans.

I congratulate the Minister of Finance on maintaining his commitment to the TAGS program. Under the budget the total funding of the program remains at $1.9 billion over five years, including the $1.7 billion of new funding announced last year. This funding is to help Atlantic Canadians to adjust to the devastation in the ground fishery, a situation over which they have no control.

Atlantic Canadians are a proud people. Given the opportunity, they would much rather work than receive government assistance.

The funding is meant to help them to adjust to the sad reality that the ground fishery has been mismanaged and overfished by foreign vessels. Again the minister, through his commitment to this funding, has ensured that the most vulnerable in our society are protected.

• (1230)

Other measures such as the merging of the coast guard with the Department of Fisheries and Oceans will enable Canada to strengthen its conservation efforts even more outside the 200 mile zone at a time when it is most needed.

In summary, I am pleased to pledge my full support for this budget. It shows that the Liberal government can do more than simply talk about deficit reduction. By setting reasonable targets for deficit reduction and then meeting them, this government has earned the trust and respect of the people of Canada. More important, this budget has managed to reduce the deficit largely through expenditure reductions while ensuring that those in society who are most vulnerable are protected.

While it is not with any great pride that many of these expenditure cuts were introduced, it was out of necessity to ensure that our economy stays on the road to recovery and our social system can remain sustainable in the future.

Mr. Ken Epp (Elk Island, Ref.): Mr. Speaker, I am pleased to comment and ask a question.

Almost all of the Liberal members, including the hon. member who just spoke, keep patting themselves on the back for having attacked the deficit. Indeed, the announced deficit is targeted to go down. However, the fact is that interest rates are going up and the total interest payments are going up because our total indebtedness is still so very high.

Many Canadians do not know that with this budget, total government expenditures are actually destined to increase by some $2 billion in this budget.

We need to lean into the debt and the deficit. It is my opinion, which I believe is one shared by most Canadians, that time is of the essence. The longer we wait the greater our interest payments grow. Even if the Minister of Finance and the government of the day meet their goals, we expect the interest payments will have reached a minimum of $50 billion per year by the time this Parliament is finished.

We need to recognize that of that $50 billion per year, a great proportion is sent out of the country in the form of interest payments to those international lenders who have loaned us money. It totally removes that available cash for providing government programs.

The Liberals keep speaking of providing these programs and not wanting to give them up. That is admirable and is a wonderful goal, but our interest payments are making it less and less possible to continue funding those programs. As a matter of fact, if we do not get a hold of it real fast our social funding will disappear in deference to the requirements to pay the interest.

I would like the hon. member to respond to the statement on the speed with which we are attacking the deficit. She will probably say that they are doing great. But specifically, how does increasing annual interest payments from $40 billion to $50 billion help our social program funding?

Mrs. Payne: Mr. Speaker, I thank the hon. member for his question.

As the hon. member knows, many factors have influenced our budget ever since it was brought down a month ago. These factors will continue to have influence. However, he is also well aware that over the last two years we have met our budget targets through the efforts of the minister. I am sure that effort will continue. Yes, we are concerned with rising interest rates. I am sure that is no secret to the hon. member as the minister has spoken on that a number of times.

I do not believe and I am sure the hon. member, based on some of the statements he has made earlier in this House, is very well

aware that we cannot reduce the deficit on the backs of those who most need our assistance. They are a very vulnerable group.

Perhaps throughout the next year the minister will again need to do some readjusting as various factors affect our financial position.

• (1235)

The Acting Speaker (Mr. Kilger): Before we resume debate, I just want to apprise the House that we have now exhausted the five hour maximum for the debate. We now go to the next stage of debate, which are 10 minute interventions without questions or comments.

Mr. Jack Frazer (Saanich—Gulf Islands, Ref.): Mr. Speaker, I want to start my remarks on Bill C–76 by recognizing that in February 1995 the Minister of Finance brought down a budget which departs substantially from normal Liberal philosophy.

This is the budget that should have been introduced in February 1994. Rather than taking firm action then, the Liberals just cried and moaned about the mess left by the Conservatives. That was the time to really reduce spending and take corrective action.

Even now, the unrealistic 3 per cent of GDP target chosen by the Liberal government is akin to a high jump contest where the bar is never raised above two feet. Anyone can clear the obstacle because it is not a real test of capability. So the minister's crowing about achieving or exceeding his budget goals is ridiculous.

The aim should have been to present interim targets on the way to a balanced budget by the end of this Parliament, along with a plan to show how this was to be achieved. But this government had neither the political will nor the courage to set these realistic goals which are desperately needed if Canada's vaunted social programs are to be protected and sustained.

There is no question that various special interest groups and some Canadians would cry: "Yes, cut spending, but not in my program", or: "Yes, you should save money, but not on my subsidy".

The Reform Party has established that there is a large constituency in our country which recognizes and is ready to accept the need for meaningful spending reductions which will lead to a balanced budget. Historically, governments, including this one, have preferred to take the easier road, making a few spending cuts and raising a few taxes but not taking the measures really required to balance the books.

The federal debt has climbed from $28 billion in 1970 to nearly $550 billion today, a 28–fold increase. Among major developed countries only Italy has a larger debt relative to the size of its economy.

I have trouble visualizing a billion. I can come into the picture somewhat with a million, but a billion really escapes me. To try to put it into context, I converted it into time and used seconds as the basis. One million seconds is just under 12 days, 11.82 days exactly. A billion seconds is almost 32 years. This puts it into some perspective as to how large a billion is.

After running up a serious deficit during World War II, Canada's debt to GDP ratio gradually declined until the mid–1970s. The last federal surplus was recorded in 1970. From that point on governments continually spent money they did not have and in so doing accumulated the debt burden which saddles us today.

It took Reform Party insistence and concerned taxpayers to convince this government that Canada has a serious debt problem which must be addressed not by increasing taxes, but rather by reducing spending.

Then Moody's rattled the chains. Foreign investors expressed their concern that Canada's finances are in serious trouble, saying: "Either put your act in order or we will invest our money elsewhere".

With one–quarter of our national debt held by international money markets, Canada is hostage to their demands for a good return on the buck. Furthermore, while Canada has been an attractive place to invest money because of our stable political climate, the Quebec problem has put that climate in question and thus our finances are subjected to greater scrutiny.

As I said earlier, the federal debt is now almost $550 billion and provincial and municipal governments owe another $190 billion. Under Liberal plans, within three years the federal debt will increase by $100 billion to almost $600 billion and interest payments on that debt will climb to $52 billion. The result is that interest payments will account for nearly one–third of our total federal budget.

In 1981 the share of the provincial debt for each man, woman and child was $4,500. When a child is born here today, he or she enters Canada owing over $25,000. In fact, everyone pictures a baby being born and the doctor holding it up by the heels, slapping it on the bottom to get it to cry and start its life cycle. That is no longer necessary. All the doctor has to do is hold the baby up and say: "You owe us $25,000 and the baby automatically starts to cry".

• (1240)

When the Liberals took office, interest charges on our debt were $39 billion. Under their projected budget plan, by the next election those interest charges will have risen to $52 billion and as I said before will comprise almost one–third of our annual budget.

This means that more than 30 cents out of every tax dollar will be devoted to paying the interest on the debt. At that time the Liberals still project a deficit of $24 billion. Our debt is continuing to rise as will the interest payments we will be forced to pay.

This Liberal budget fails to deliver. The Liberals have no plan to balance the books by the end of their mandate. They have no plan to answer the problems rapidly approaching with an aging population. The Superintendent of Financial Institutions has

warned that the Canada pension plan will be exhausted in 20 years.

Despite the added pressure of an ever increasing deficit and debt to service, the government must still deal with this problem. It is clear the looming interest payments on the debt will virtually kill pensions and other social programs. Also, transfers to provinces for health, post–secondary education and welfare will be lumped into the new Canada social transfer.

The deepest spending cuts are left until next year when the $7 billion in social program cuts begin. Provincial transfers will be reduced by $2.5 billion in 1996–97 and $4.5 billion in 1997–98.

To what extent will spending cuts be downloaded to the provinces? A lump sum payment will be given to them and the feds say: "Find a way to save the money, but you must still live by our rules or we will withhold the transfers".

This budget does not place resources and responsibilities in the hands of those levels of government closest to the people. It does not include tax point transfers which would give provincial governments the resources needed to pay for their social programs.

Without social program reform, the provinces and the taxpayer will have to carry the burden. They will be asked to streamline programs. However, if the federal government does not like the changes, it can withhold the money.

Programs to natives, Inuit and Metis will increase. Yet the government has not taken measures to clean up what are clearly identified as badly managed programs. Despite budget cuts, spending will increase by $600 million because of escalating interest payments alone. This budget is an example of the consequences of not eliminating the deficit quickly.

On the other hand, the Reform Party's taxpayers budget would eliminate the deficit in three years with spending cuts and no tax increases. The taxpayers budget would restore labour market efficiency through the reduction of social program dependency. It would create an economic climate that would lead to lasting private sector job creation.

What will it take to ensure governments—this one and those that follow—live within their means by not spending more than they take in? We can look to Switzerland for an example. The Swiss enjoy one of the lowest marginal income tax rates, a high standard of living and a generous social safety net. How do they do it?

The Swiss government is required to go to the voters if it wants to raise taxes or spend more money. The government is constitutionally bound to live within its means. This has been in place for years and it works. Government is accountable to the people. Is that not the way democracy should work? It is representation by the people and for the people with the people having control of the purse strings. I wonder how those fat pension plans for MPs would fare if they had to go to the public to be approved.

The Swiss must also be consulted on any law or regulation. Does anyone remember the Liberal red book's promise to scrap the GST? In fact, the Swiss government asked the people to approve a similar goods and services scheme. Three times the voters said no. The fourth time the plan was successful and has just been implemented this year. If the Swiss decide they do not like the tax, they can rescind it by petitioning government to remove it. I am sure every Canadian would approve of tax and expenditure limits for their government.

This government had the good fortune to inherit a healthy economy. If the economy slows, as is expected, added pressure will be brought to bear at a time when the deepest budget cuts must take place. If we call this a debt crisis today, what will we call it then? This budget plan will still add to the debt and continue the erosion of social safety nets.

• (1245)

Our only hope is that the Minister of Finance will not be swayed and will continue to find ways to save money and ensure that programs are effective in their delivery while providing the necessary means to evaluate the programs. If programs do not achieve what they were intended to, they should be eliminated.

Spending cuts are important, but even more important is the acceptance of the need to balance the budget and the presentation of a plan that will take us there. Although too little and too late the budget was a step in the right direction.

The government is now left to do what must be done: plan to balance the budget during this term of Parliament and tell Canadians how it is going to do it.

Mr. Wayne Easter (Malpeque, Lib.): Mr. Speaker, I welcome the opportunity to speak on the budget. In the week immediately following the budget I had two public meetings with constituents, two meetings with farm groups, and one meeting with the forestry industry.

My purpose in holding the meetings was to set out as well as I could the facts arising from the budget so that together with the constituents in my community we could understand the impact in a real sense and manoeuvre and develop policies to address the future.

In so doing I believe we were able to examine critically the budget and to obtain constructive feedback. I will come to the feedback later in my remarks. It is no secret that the priority of the government is to restore Canada to fiscal health and meet the

target of deficit reduction we campaigned on in the last campaign: 3 per cent of GDP by the end of 1996–97.

The budget takes strong action to deal with the deficit. It is tough and it encompasses painful program cuts. The government strategy required savings on government expenditures, program review, and some tax changes.

In so doing programs that many of us, myself included, hold near and dear have been cut. We have attempted as a government to be balanced across the regions and across the industries on both the social and the tax expenditure sides. Regardless of the facts it does not make dealing with tough fiscal measures any easier or make the impact on those affected any less.

Turning to the meetings I have had with constituents, farmers and especially my former organization told me in no uncertain terms that they felt the budget was tougher on the agricultural sector than on other sectors across the land, especially so when the transportation changes are brought into the equation.

The loss of ARFAA and MFRA rates within Atlantic Canada will impact upon primary producers. We have set aside considerable adjustment moneys, $321 million. By providing that money to the provinces there was concern expressed that the provinces may not address the needs of producers as a result of the changes in the budget.

We as MPs have a responsibility and must be involved in the process. I intend to be involved. At the very bottom line we certainly do need to have a national transportation policy in place. The loss of the feed freight assistance in Atlantic Canada could have a very negative impact on the Atlantic livestock industry if we do not provide other compensating policy initiatives to the livestock industry.

I will lay out the facts. I will not put a spin on them. I accept the facts as they are. When the feed freight assistance program in Atlantic Canada and the changes to the WGTA in the west are combined, the cost of barley in eastern Canada as compared to the west will be at approximately a $42 per tonne disadvantage. That is the reality. I do not believe we should despair over the facts.

• (1250)

The secretary of state for agriculture and agri–food will be setting up consultations with the farm community. Adjustment moneys are in place. The secretary of state and the Department of Agriculture are certainly discussing with industry and looking at new ways of developing the competitiveness of the livestock industry in Atlantic Canada.

In the meetings with farmers I attended in eastern Canada some concern was expressed about proposed changes to Agriculture Canada, especially in the area of privatizing the economic branch. There is a firm belief with which I agree that the minister needs a division within the department to do the economic analysis and the economic impact studies prior to policy changes being made.

I am one who firmly believes that we should be holding outlook conferences where the department has to put on record where it thinks the movement will be in agriculture over the next year and then come back and account for its prediction a year later.

By privatizing the economic branch there will be no real savings to farm out to economic consultants. In my mind it would be much more preferable to get rid of some of the paper pushers at the top, the people who do not really understand primary producers in terms of getting their hands dirty in the soil and understanding at the primary production level. We need some discussion in that area.

There is no question the minister had difficult choices to make. He will attempt to address the impact through improved safety nets, adaptation programs and new policy thrusts.

Turning to some other meetings I have had in my riding, on the Canada social transfer there were questions raised whether it would be an effective vehicle to equally deliver social programs such as post–secondary education and health care across the country. Questions were raised on what effect block transfers would have on the fight against child poverty.

I outlined to those in attendance that we had a very successful hearing on HRD and social security reform review. Many good points came out of the paper from the committee. I congratulate it on its work. The committee did good investigative work, held hearings and has come up with some sound recommendations that the government and members of Parliament can look at in terms of future initiatives in the social security area.

The debt and the deficit were discussed in great detail. The main focus of discussion with respect to the debt and the deficit was centred on the percentage of Canada's debt owed to foreign investors. I am very concerned about that area. When a few speculators basically playing computer games on the stock market floor can bring down a country in terms of its financial security, we have to look seriously at the issue. Whether it is a new Bretton Woods agreement or some other measure we have to look at it seriously. I believe the Prime Minister has put the matter on the agenda for the G–7 in Halifax.

Public service reductions were talked about at the meetings as well. Representatives from the public service expressed their anxiety with regard to what many public servants are undergoing and the demoralizing effect on the workforce. Representatives questioned why the compensation, the early retirement package, could not be offered to all public servants so the resulting vacancies could be filled by surplus workers who do not qualify for the package. We will be raising those points with the ministers responsible.

I must speak for a moment on the WGTA. It is widely known that I have spent the better part of my life defending the so–called Crow rate. I still believe there is an obligation the railways have never met in all the discussions and changes over the years. Regardless, the change is being made which will affect western producers and communities.

• (1255)

Adjustment measures are in place, the $300 million adjustment and the compensation for land prices. I underline the fact that the WGTA has been in effect since the turn of the century. It was the cornerstone of agricultural policy in the west.

I accept the changes but we must recognize the impact. There will be impact in areas other than financial areas such as highways, car allocations, quality control, the wheat board, et cetera. We have to listen to the producers so they can outline to us the changes they want.

These are different times. We must get our financial house in order. The real solutions will be found in the country, in the hearts and minds of the people who will be affected. We as MPs must continue to consult with constituents to find solutions.

[*Translation*]

Mr. Philippe Paré (Louis–Hébert, BQ): Mr. Speaker, when a bad decision is made, nothing could be more justified than to try to delay its implementation. That is why the dilatory motion put forth by the hon. member for Saint–Hyacinthe—Bagot is relevant and why I support it.

In the next few minutes, I will try to demonstrate how appalling the finance minister's budget is as far as the drastic cuts to official development assistance it contains are concerned. This decision without vision makes it clear why the government did not want to make any commitments in early February, when the Canadian foreign policy statement was released. Also, the excessive focus on trade in this new foreign policy is brought to light in the budget tabled on February 27.

The early 1990s signalled the end of any measure that would have enabled Canada to reach the target of 0.7 per cent of GDP for official development assistance. In the 1991 budget, aid spending on Eastern European countries and the Commonwealth of Independent States was increased at the expense of ODA.

In his 1992 economic statement, the Minister of Finance cut $50 million in the international assistance envelope. The 1994 budget called for international assistance to be reduced by another two per cent in 1994 and 1995, but what this budget says is quite different. Ignoring this commitment to cut only 2 per cent, the Minister of Finance decided to cut 21 per cent, or $532 million, from the development assistance budget.

In addition, the cuts announced between now and 1997–98 represent a shortfall of $1.3 billion for our international co–operation programs. As I said, these cuts mean a 21 per cent reduction in the total development assistance budget. I would point out to this House that the cuts to the Department of National Defence represent only 14.2 per cent. Surprising for a government that acknowledged the threats to our society in the post cold war period come, in large part, from development problems.

In 1994, the development assistance budget corresponded to 0.4 per cent of Canada's GNP; in 1997, the figure will drop to less than 0.3 per cent. This will make Canada one of the least generous of the industrialized countries, because this figure will be below the average of the OECD countries.

The budget of the Export Development Corporation grew by $155 million, whereas the budget of the voluntary sector of official development assistance will be cut by $45 million. Where is the logic in all this? The cuts to the budgets of NGOs lucky enough to still receive support are estimated at about 15 per cent.

The Bloc Quebecois' position on development assistance has always been clear, unlike the Liberals' position in their red book. It has remained consistent from the speeches by the Leader of the Opposition during the 1993 elections to debates in the House and in committee. Should I point out that the Liberals had set 0.7 per cent of the GNP as an objective for official development assistance?

We can understand, in a time of budget restraint, the government's making major cuts in the development assistance budget.

• (1300)

However, in light of the work done by the special joint committee, that assistance programs for volunteer organizations will be hardest hit by these cuts is totally unacceptable.

Last Friday, CIDA announced a 100 per cent cut in funding for NGOs working in the area of public awareness of international development among Canadians. This will take effect on April 1. The Bloc Quebecois obviously objects to these measures and to the way they were announced, with only one week's advance notice. I do not understand this budget measure. The savings the cut will generate only account for 0.5 per cent of the total official development assistance budget. The consequences and the chain reaction that this measure will set off on the international solidarity and co–operation network are inestimable.

One thing we can already be sure of is that the future of close to one hundred small NGOs which are mostly located in the outlying regions, already raise 50 per cent of their funding from other sources and co–ordinate the activities of thousands of committed volunteers, is in danger.

For a few years now a world–wide consensus has been emerging that these non–governmental organizations, which do remarkable work at little cost, are very efficient. It is in this context, and despite the speeches and commitments it made in front of international forums, that the Canadian government quite unexpectedly cut the funding of close to one half of the country's NGOs and is reducing by 14 per cent the funding of the remainder.

But most of the witnesses heard during the vast consultations led by this government on Canadian foreign policy were saying the opposite. Following these consultations, the Special Joint Committee Reviewing Canada's Foreign Policy recommended in November 1994 that public participation be considered a priority for official development assistance.

After rejecting the joint committee's recommendation, the government went so far as to cut this program's funding and seems to want to perpetuate the ambiguous mandate of CIDA, which is becoming increasingly interested in promoting international trade and less interested in accomplishing its main mission: promoting sustainable human development in the poorest nations of the world. Particularly as Quebecers and Canadians are adopting a new world vision of solidarity and sharing rather than building up armed defence.

It should come as no surprise that the Canadian Council for International Co–operation and the Association québécoise des organismes de coopération internationale represent more than 100 humanitarian agencies. These NGOs depend on the generosity and dedication of thousands of volunteers who donate their time and money to help the poorest and neediest men, women and children on this planet. Development aid must help reinforce co–operation between institutions and Canadian citizens and those in the third world, and the best vehicle to achieve that is the NGOs, whose people become part of the community they are helping.

Are we to conclude that with these new budgetary measures, the government has abandoned this network of solidarity between Canadians and the people of the third world?

Canada's annual budget for National Defence is around $10 billion; while the budget for development aid is only $2 billion. We can assume that the defence industry is anxious to keep it that way. However, the Canadian government cannot aid and abet these questionable choices indefinitely. To maintain this kind of gap between military spending and development aid is unacceptable.

If they are not prepared to be generous, the political leaders of this country should at least realize that development aid can be profitable for industrialized countries. In Canada alone, development assistance creates 45,000 jobs, supports 2,000 businesses and provides economic spinoffs for 80 colleges and universities. Every dollar invested, and it is indeed an investment, directly generates $6.42 in Canada.

[*English*]

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.): Mr. Speaker, I am pleased to rise and speak on Bill C–76, an act to implement certain provisions of the budget tabled in Parliament last February 27.

The finance minister has put forward a ground breaking budget that has struck a delicate balance within fiscal toughness and sensitivity to people.

• (1305)

The response from the Canadian public has been positive. In my home city of Winnipeg our largest daily newspaper, the *Free Press*, carried the headline the day after the budget: "Tough plan boosts buck, raises hopes".

A column in the February 28 edition of the Montreal *Gazette* read: "[The] budget sets the country on a new course, one in which the national role of the federal government must be rethought, renegotiated and rediscovered. It's a good start".

The *Globe and Mail* agreed: "Canadians, and those abroad who wish us well, must hope that this brave beginning—will now be sustained".

What is this brave beginning? It is the mark of a government coming to grips with a cumbersome national debt which threatens to foreclose on the futures of our children and grandchildren. It is the mark of a government committed to ensuring the needy among us from all walks of life continue to receive the assistance they need. It is the mark of a government that recognizes the need to streamline its own operations, eliminating duplication and waste while improving delivery of all services.

How will the government achieve these ends? First, it will realize $29 billion in savings over three years: $5 billion in 1995–96, $10.6 billion in 1996–97 and $13.3 billion in 1997–98. These measures are necessary to ensure that regardless of the direction financial markets take in coming years, the government will meet its target of reducing the deficit to 3 per cent of the gross domestic product by year 1997–98.

These tough measures have proven the government is serious about reducing spending and doing so only, in contrast to other parties, after an exhaustive review of government programs aimed at identifying priorities and eliminating waste and duplication.

World financial markets reacted favourably by sustaining our AAA credit rating. The importance of this rating must not be underestimated. Had it fallen, interest rates could have risen and the interest Canada would have been required to pay on its debt would have increased dramatically.

As crucial as these deficit reduction measures were to the 1995 budget, Canadians also expected something more. They wanted to be reassured that savings would not be achieved through deep cuts in Canada's cherished social programs, particularly medicare.

Indeed, one vital component of the budget provides for improved delivery of health care and enhanced research on biotechnology as well as retaining funds necessary to ensure improvements in the Canada assistance plan and to student financial assistance.

The introduction of so–called block funding in the form of the new Canada social transfer will enable the provinces to exercise greater control over how moneys are allocated, thereby allowing them the flexibility to fund programs according to local demands for services. The delivery of social programs is the constitutional responsibility of provinces and that they will have. It is also the claim of provinces that they should have this flexibility and that they will have.

This approach will bring health care closer to communities. At the same time, the system allows the federal government to continue to uphold the five principles of medicare enshrined in the Canada Health Act: universality, accessibility, comprehensiveness, portability and public administration. The Minister of Finance said that flexibility does not mean a free–for–all.

These principles of medicare are not subject to federal–provincial negotiation. They are not negotiable, as the two levels of government implement the agreement on the Canada social transfer. Rather they are fundamental pillars of Canadian society. They are the foundation on which our health care system is constructed.

• (1310)

The government has vowed in no uncertain terms that the Canada social transfer "will not sacrifice the quality of service available to Canadians". We must remember that it is possible not only to maintain our current delivery of health care at the current level of funding but to effect improvements. In other words, we can do more with as much.

Key to this strategy is the practice of substituting equally effective lower cost treatment approaches for traditional ones. For example, we can make increased use of out–patient care, encouraging patients to see family physicians before consulting specialists and allowing non–medical health care processionals to substitute for medical doctors in defined areas of care.

The same flexibility within the new social transfer which can lead to improved health care also bodes well for the future of the Canada assistance plan or CAP. The incorporation of the CAP into the Canada social transfer provides the provinces with the freedom and flexibility they require to deliver social programs most efficiently and effectively. Again, the goal is to do more without increasing actual government expenditures. This is an attainable goal.

I mentioned earlier that the government has shown determination to ensure a sound future for youth. This determination is exemplified by the deficit cutting initiatives that relieve our children and youth of some of the burden of the national debt but it is found in other areas in the budget as well.

The federal contribution to university and college funding will be rolled into the Canada social transfer, again guaranteeing the provinces the freedom to distribute funds according to need and using the savings achieved through avoidance of duplication.

The government's continuing commitment to fund granting councils which support the direct costs of university research and which support the Canada student loans program as well as post–secondary education for Indian and Inuit students all attest to the government's commitment to our youth.

There is much in the budget to guarantee Canada both a prosperous present and an even more prosperous future. Part and parcel of that prosperity will be the maintenance of the social programs which have served Canadians well in the past by keeping our nation competitive and our citizens protected from social catastrophe. Under this tough, yet sensitive budget, Canadians can be assured that programs will become even more responsive to their needs in the future.

The government faces a daunting task as it leaves the 20th century and enters the 21st century. If government had simply slashed spending without due regard for the underprivileged among us, it would have turned its back on principle. If it had continued to spend without due regard for the future of the nation and the future generations it would have turned its back on reality.

Instead, as has been the case so many times since it took office, the government has taken the middle ground approach and avoided extremist solutions suggested by the two parties opposite. This balance is what ultimately will enable it to succeed where other governments have failed.

Mr. Jim Gouk (Kootenay West—Revelstoke, Ref.): Mr. Speaker, I am going to limit my remarks on the budget today to transport, which is appropriate since I am the transport critic for the Reform Party and the Reform Party being, of course, the national opposition party.

Generally transport is an area that has great potential in reducing government costs and the devolution of government services to the private sector. In this area transport is generally moving in a direction that I agree with. One item that is being changed that I particularly agree with is the privatization of air

traffic services. This is a good move, especially now that the government has more or less agreed to go to the not for profit concept, as opposed to the crown corporation concept it was initially pushing.

• (1315)

Airport devolution is a generally good idea although I have some concerns about skimming. When I speak of skimming, I am talking about when they take all the revenues from 26 national airports, put them into a group and apply them for the most part to their general funding. At the same time they dump on to various provinces and regions all the costs of the subsidies to smaller airports. In most cases they are much less than the revenues the government is realizing from national airports.

One big area in the recent budget is the WGTA, the grain transportation subsidies. I have always supported the concept that they could be reduced and ultimately eliminated, with the caveat that the government must deal with many items that cost producers money. These are items that do not produce revenue for the government but take money out of the pockets of producers. I speak specifically of things like rail car allocation and labour disruption.

In a document the Minister of Transport put out coinciding with the budget he explained and recognized a problem with rail car allocation. He said it was something they would look into but that they would not do anything with at this time. It cost Canadian grain producers a tremendous amount of money. It is not a cost factor for the government but it should have been dealt with in conjunction with the reduction and elimination of the WGTA.

Likewise we have labour disruptions; the shutting down of ports, particularly the port of Vancouver; and rail strikes. We had a strike in the port of Vancouver last year. The government legislated the people back to work but did nothing to deal with future problems.

We had another one this year. Again the government legislated the people back to work but did nothing about a long term solution. Immediately on the heels of the Vancouver strike this year we had a national rail strike. Again the government legislated people back to work but did nothing about a long term solution.

These are matters that cost Canadian taxpayers and citizens money but do not provide any revenues for the government. These are matters the government should not be ignoring, which has unfortunately been its method of dealing with them.

I turn to the subject of Pearson airport. It will be a great surprise to many people that I would talk about it. Pearson airport has major ramifications on this year's budget. A bit of misleading information is coming out with regard to it and to the budget.

The government is currently looking at putting in a new runway, at a cost of something in the vicinity of $150 million. On top of the cost of the runway a possible lawsuit is in the works by the council on concerned citizens. It is concerned because building the runway is in direct contradiction to the findings of the Environmental Assessment Review Panel. It is entering into a lawsuit and the government will have the cost of dealing with the action, over and above the cost of the runway if it is built. In addition we have the development contract regarding terminals 1 and 2 at Pearson airport.

At minimum it will cost about half a billion dollars in combination of cancellation costs and court costs dealing with the cancellation. Even after it is all over with we still have to rebuild terminals 1 and 2, which two years ago was to cost the private consortium $750 million. We can be assured that if the government built it at the same time it would cost more and now we are talking two years later. We are talking of a minimum in the vicinity of $1 billion for that aspect. In total we are talking about an expenditure at Pearson of some $2 billion. It is interesting that none of that money is in the budget.

Let us talk in terms of the Liberal budget. Is it good? Is it bad? Does it do enough? We have to consider what it said and what it should be saying. This covers a couple of items in the transport portfolio alone. If the same type of misleading information applies with all other departments in government, what other surprises lie ahead of us? We have not seen the full picture. Unfortunately Canadian taxpayers will not get the rest of the facts until it is too late.

• (1320)

The budget does not explain the true situation in Canada. It does not deal with the true problem in Canada. As a result there will be further problems ahead that have not been spoken as yet.

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, I rise to speak on second reading of Bill C–76, an act to implement certain provisions of the budget tabled on February 27, 1995. For my constituents the bill should be known as an act to kill the Crow or an act of unfairness to the prairie economy.

Bill C–76 is the legislation that will allow for the payment of compensation to the owners of farmland in the absence of the Crow benefit. I quote National Farmers Union President Nettie Wiebe:

> The federal budget delivers a double hit to Canadian farmers. They are increasing farmers' costs by cutting transportation subsidies and then hitting us with fewer funds for farm safety nets, less money for dairy subsidies and reducing the budget overall.

I will direct my remarks to two points. First, I will look at the principle of withdrawing federal support from grain transportation. Second, I will address the specifics of the payment of the $1.6 billion outlined in the legislation before us.

I have said previously in questions in the Chamber, in comments to other speakers and in response to inquiries from the media that the elimination of the federal financial commitment to the transport of grain destined for export is the single most devastating element in a very difficult budget.

On February 27 the federal finance minister announced the elimination of the transport support program which, just two years ago, was providing $720 million a year. The grain on the prairies is grown on land that is farther from port than in any other export oriented grain growing country in the world.

I have been consulting with farmers and community leaders in areas supported by the farm economy. During the consultations we took out our pencils and calculators and looked at the implications of the elimination of the Crow benefit in real, personal and community terms. The only word to describe the implications of the federal government measure was devastating, the word I used earlier.

In the province of Saskatchewan the loss of the Crow benefit will mean that delivery costs from virtually every delivery point in the province will increase by about $1 million a year. Producers who deliver grain to local elevators will have additional freight costs deducted at the elevators equalling collectively about $1 million a year. With reduced incomes of some significance there is a net community loss that is unlikely to be made up elsewhere.

That is the point the federal government failed to address in the budget. The withdrawal of federal support will have an immediate effect on countless communities, most of which will have neither the resources nor the ability to make up the lost funds.

In spite of my questions and the questions of others, the federal government has not produced a single page of study, evaluation or analysis to indicate or prove the contention of the finance minister that the elimination of the financial support will lead to greater crop diversification or enhanced value added production capacity in these communities.

I draw attention to the speech yesterday of the Parliamentary Secretary to the Minister of Finance who talked in glowing terms about the elimination of the subsidy encouraging the development of value added processing and the production of higher value goods. He said that the elimination would result in a more efficient grain handling and transportation system. He said that the elimination of the Crow benefit would help maintain our market access for grain sales in foreign countries.

No evidence has ever been produced to prove these contentions. What is there? What analysis has been made to substantiate these claims? Absolutely none. Not one shred of evidence has been produced to give us any confidence that the investment to replace the lost income from increased freight costs will magically materialize. Every delivery point in Saskatchewan must find $1 million a year in new revenues just to remain where they are today. How many more peas can we grow? How many more pigs or cows can we produce? How many new flour mills, ethanol plants or breakfast cereal plants can we build by this time next year to replace the $1 million per community that is being taken out of our province by this single move in the budget?

• (1325)

There are a lot of unanswered questions which deal with the future of my province and even the uncertain future of the Canadian Wheat Board that are not being answered. Yet the government is proceeding with great abandon to ensure that the Crow benefit is gone before the end of the crop year. It is sheer madness.

On virtually every other issue the Liberals talk about their election promises, the red book promises, the guide to direct them in policy matters, but nowhere in the red book do we see a promise to get rid of the Crow benefit and bankrupt agricultural communities with such swiftness. I quote the red book: "Our goal is reducing input costs to make farming more valuable". What have the Liberals done? They have increased costs, not reduced them as promised in the red book.

I have asked the Minister of Agriculture and Agri–food and the Minister of Finance to postpone any actions on the elimination of their commitment and responsibility to the west until the long term implications are well known, thoroughly reviewed, and mitigating measures are outlined and debated. It is absolutely crucial that we look at what the long term implications will be before the decisions are taken in the Chamber by the members who are sitting here today.

In the legislation before us the government is barrelling ahead with the decision to kill the Crow without knowing what it will mean to those most affected. The legislation gives the government the authority to make a transition payment to the owners of farmland in western Canada in lieu of the Crow benefit. Once the legislation is passed and the process of making the payments is in place, it will be very hard, indeed it will be impossible to go back and assess how bad the damage will be. We have to defeat the legislation if we are to make the proper assessments.

At the same time it is important to look at the specifics of Bill C–76. There are three main problems with which I would like to deal: the principle of the idea, the payout, and the process of regulations. In principle the idea of providing $1.6 billion in a payout is wrong. First, as I said, it should not be done. Second, if the government insists on making the payout obviously it is very inadequate.

Every member of the Chamber is aware that the Crow deal was originally a condition of building the railway in return for being given a lot of land on which they have made a lot of money over the years. In return for the government building the railway itself, the railway companies promised to ship grain from the

prairies to the port. It was a very simple condition. It can almost be called a condition of Confederation for western Canada.

Many farmers are very upset the government came along and out of the blue announced the deal was no longer in effect. The farmers have to pay once again for a service that was paid for long ago, and the railways once again get off scot free. In principle that is grossly unfair.

The $1.6 billion is an arbitrary figure that means virtually nothing. "Where did the government get this figure from", farmers ask. The prairie pools have made their calculations. They said if the Crow benefit were to be eliminated and replaced with a fair payout to farmers the bill should be providing authority to pay $7 billion rather than the inadequate $1.6 billion which will do very little to compensate the landowner or the shipper, no matter how we look at it.

Another problem with this section of the legislation is the fact that it proposes to pay the $1.6 billion to landowners rather than to producers. It seems the Liberals think that compensating for the loss of land value, which they acknowledge will result from the loss of the Crow benefit, is more important than compensating farmers for the additional costs associated with increased freight rates. Paying money to landowners means that about 40 per cent of the payout destined for Saskatchewan will go to the banks and other financial institutions such as the Farm Credit Corporation.

Although the Liberals say that these institutions should pass along the payout to those who lease land from them, there is no guarantee, no certainty that anything will get passed on. At the same time the legislation makes the payout to landowners including the banks tax free; but money that finds its way to farmers who lease their land, if the money gets to them, becomes taxable. Obviously this means that the Liberals seem to have much more sympathy for the poor banks than they do for the poor farmers.

Third and last in this section, the legislation before us leaves virtually all the details about how this is going to be handled to the regulations. All the questions about who qualifies, what kind of land will be paid for, when the cheques will be written and mailed and so on will be decided in the minister's office. The specifics will be settled in the regulations. The decisions are left to the bureaucracy and there is virtually no public input through this Chamber and members of Parliament.

In conclusion, there is much wrong with this idea. This legislation should not be supported by the members of this House.

I once again appeal to the Minister of Agriculture and Agri–Food. I ask that all this stuff relating to the elimination of the Crow benefit be put off until such time as a complete evaluation of the consequences has been written and reviewed. We cannot afford to abandon the farm economy and the communities that depend on that economy.

[*Translation*]

The Acting Speaker (Mr. Kilger): It being 1.30 p.m., the House will now proceed to the consideration of Private Members' Business as listed on today's Order Paper.

PRIVATE MEMBERS' BUSINESS

[*English*]

HATE PROPAGANDA

Mr. Rey D. Pagtakhan (Winnipeg North, Lib.) moved:

That, in the opinion of this House, the government should move with speed to adopt legislative measures aimed at stopping the spread of hate propaganda via the electronic information highway while simultaneously preserving legitimate use of the freedom of speech and expression.

He said: Mr. Speaker, the motion before us appeals to our core Canadian values: respect for dignity, respect for self–worth, and respect for the equality of all individuals. These values are pillars of Canadian society. They are the glue that holds the Canadian mosaic together. They are tools of harmony. We are therefore fiercely proud of these values. They are the foundation of this private member's motion.

The motion raises two fundamental questions: What is the interrelationship between the information highway and the freedom of speech and expression? How can we as a people protect our core societal values without impinging on the core area of the freedom of expression? Before I address these questions Mr. Speaker, permit me to give an overview of the information technology revolution and what it means for Canadians and Canada in the world.

Indeed, we as peoples of the earth have entered the information age. Information technology has reached a level of progress which now gives people the ability to communicate with others around the world via a network of computer systems popularly known as the information highway or superhighway. Although the phrase comprises many aspects, the computer network most nearly synonymous with it is the Internet.

The Internet revolution started in the 1960s when the U.S. defence department linked its various sites. By the late 1970s this had expanded to universities around the globe. The real turning point came within the last couple of years with the introduction of the World Wide Web. Now the Internet encompasses more than 30,000 networks and 2.5 million computers. There are as many as 35 million users in more than 100 countries. Today one needs only a personal computer, a modem

and a telephone line to gain access to this amazing new information highway.

Three basic services are available: electronic or e–mail, news groups also known as bulletin boards, and files. With these services anyone in the world can send a message at minimal cost, post and look for messages on almost an infinite range of topics and can also pick up information in the form of files which contain text, images, data, and even sounds. Indeed, Internet puts an incredible wealth of information at one's fingertips.

• (1335)

It is a source of pride for Canada that some of its corporate citizens such as Northern Telecom, Unitel, Stentor, Videotron, Rogers Communications and Bell Canada, have played continuing leadership roles in the advent and growth of the critical technologies, chief of which are digital communication, wireless communication and fibre optic transmission. Canada stands to gain from these technologies which have the power to narrow the physical distances of our natural vast geography.

The new technologies are utterly revolutionizing the way Canadians work, learn and interact with one another. It is in recognition of this reality and of the benefits that can ensue from it that the Canadian Network for the Advancement of Research, Industry and Education, also known as CANARIE, a seven–year $1.2 billion project, was launched by the government in 1993.

The project aims to develop the communications infrastructure that will enhance Canadian competitiveness in all economic sectors and thereby result in job creation and quality of life for all. A nationwide high speed telecommunications backbone is essential to making Canada's competitiveness in the world economy that much more secure. Economic prosperity means jobs for people which can only enhance self–reliance in our citizens and our country and strengthen our national identity.

Let me now address the two questions raised by my motion. What is the interrelationship between the information highway and the freedom of speech and expression? How can we as a people protect our core societal values without impinging on the core area of freedom of expression?

As with any tool of economic prosperity, the information highway presents new social challenges. One such challenge is to ensure that the information highway does not become a highway of hate, does not become a vehicle of harm.

The *Globe and Mail* recently reported that notorious Holocaust skeptic Ernst Zundel plans to spread his vicious campaign of lies and deceit via the Internet. Neo–Nazis worldwide are already using the Internet to spread their racist ideology. More recent examples of postings on the bulletin boards were threatening messages from the Ku Klux Klan. One has only to look at news groups such as alt.skinheads, alt.politics.nationalist.white, or alt.politics.white–power to see the continuing and increasing presence of such hateful electronic words.

Persistence of hate messages on the Internet certainly should invite the attention of government to move in and regulate. The ability to reach a wide audience via the Internet without regulation has resulted in the proliferation of speech which many Canadians find hurtful and which, if published or broadcast through traditional media, would likely have attracted prosecution.

Let me reiterate my motion:

> That, in the opinion of this House, the government should move with speed to adopt legislative measures aimed at stopping the spread of hate propaganda via the electronic information highway while simultaneously preserving legitimate use of freedom of speech and expression.

My motion calls on this House of Commons to exercise its will and urges the government to act and to act now. I trust all colleagues in the House will endorse this motion. My faith lies in my belief that no one member of Parliament would oppose halting the spread of hate propaganda, that no one member of Parliament would insist that there cannot be limits to freedom of expression. I submit that nothing, not even freedom, is absolute.

First, what constitutes hate in our judicial system? The Supreme Court of Canada defines hate as:

> —an emotion of an intense and extreme nature that is clearly associated with vilification and detestation. It is an emotion that, if exercised against any section of the public distinguished by religion, colour, race or ethnic origin, implies that those individuals are to be despised, scorned, denied respect and made subject to ill treatment on the basis of group affiliation.

• (1340)

The spread of hateful propaganda is now covered under section 319 of the Criminal Code. The code identifies two ways by which offences can occur. One is by incitement, that is, by communicating in a public place words likely to lead to a breach of the peace. The other is by wilfully promoting hatred against an identifiable group through the communication of statements other than in private conversation.

It therefore appears to me that section 319 of the Criminal Code could be applied to prohibit the kind of high tech hate propaganda this motion seeks to eliminate.

Certainly accessing the Internet involves communicating by telephone or visible means via the computer which is essential to the definition of communicating in the code. Certainly also the Internet could be considered a public place because it is a place to which the public has access, if not by right at least by invitation expressed or implied since one could buy in via a

service provider. Certainly also the messages on the Internet constitute statements since the code's definition of statements includes "words recorded electronically".

At this juncture, may I note in this House that I do not know of any criminal prosecution in Canada, despite repeated postings of hate messages on the Internet. Neither has there been any prosecution under section 13 of the Canadian Human Rights Act where case law has documented the applicability to this issue.

Why has there not been any prosecution of the electronic posters of this century? Is the difficulty related to the determination of exactly who may be held liable: the network, the operator, or the author of the hateful message? Is the difficulty related to tracing the exact authorship or the point of origin of the message? Is the difficulty related to authors being beyond the jurisdiction of Canada? Is the difficulty due to lack of interest on the part of local police and provincial attorneys general? Or does the difficulty reflect the complexity of day to day and moment to moment monitoring of the Internet?

Be that as it may, the Canadian public wants to know. I acknowledge that the Information Highway Advisory Council established by the federal government last year has identified a regulatory role for the government to play. I quote: "It supports the principle that freedom of expression be preserved on the information highway consistent with Canadian law". I underscore the phrase consistent with Canadian law.

This private member's motion is therefore consistent with that recommendation of the council. The council has further identified that it is in the midst of reviewing the capacity of existing laws to address this situation. I will certainly defer to the observation of the council on this particular point, acknowledging that I am not a member of the legal provision.

I submit that if current hate laws do apply, we need to implement them. If current hate laws cannot apply, we need new measures. What then do I mean by "adapt legislative measures" in my motion? I have used this term in a generic sense. It implies passing new measures on the assumption that current hate laws, for whatever subtleties of legal interpretation, may not be fully capable of coping with the issue before us.

I envision that new measures could include a variety of approaches. I will mention a few.

Parliament, for example, could legislate a national code of ethics or conduct to govern Internet service providers. This could include a mandate for the creation of a complaint body that would enforce the code through a predetermined process for resolution.

• (1345)

Parliament could set aside a modest budgetary item to launch a public education campaign to inform and advise Internet users and service providers as well as parents, school children, teachers and the public at large about proper use of the information highway, about the privilege it offers and the responsibilities we must bear.

The government, through Parliament, could also consider setting aside funds to help facilitate the development of technologies such as adaptive software filters, which homes and families could use to prevent hate messages from being seen.

To address the issue of source beyond our borders, Canada must ensure the obligations under international convenants and agreements against hate propaganda are met and that other signatory states are equally reminded of their obligations. If need be a new global treaty could be drafted, as has been advanced as an idea by the Solicitor General as one possible approach to address the issue. There could be other approaches. We must explore them.

At this point I would like to return to the part of the motion that deals with freedom of expression. The Supreme Court of Canada ruling on two recent cases has identified the purpose of this essential guarantee, namely: "to permit free expression to the end of promoting truth, political or social participation and self–fulfilment".

Mr. Justice John Sopinka of the Supreme Court of Canada, speaking November 1994 at the symposium on free speech and privacy in the information age said: "These values lie at the core of the freedom of expression". It is in this spirit that both section 319 of the Criminal Code and section 13 of the Canadian Human Rights Act have been ruled constitutional by the Supreme Court of Canada.

The court has deemed that these legal provisions constitute a reasonable limit on the freedom of speech and expression since the freedom is only minimally impaired when weighed against the sufficient importance of the legislative objectives, namely, to respect the dignity, self–worth and equality of all individuals.

The government must act quickly. Technology is advancing at a rapid pace but we know that the task we face is a daunting one. We must also acknowledge that the problem is not unique to Canada, nor is the search for a solution.

The United States Congress is also now in search of one. It has before it the communications decency act of 1995, which would impose a $100,000 fine on anyone who uses computers to "annoy, abuse, threaten or harass".

The Canadian Information Highway Advisory Council, in its recent report, describes Canada's goal for the information highway this way: "The vision is to establish a network of

communities around the globe in the fullest pursuit of individual expression, creativity, learning opportunities and entrepreneurship. Its essence is to provide a medium for us to achieve our goals as individuals and as a nation".

These are noble goals. The mission can only be accomplished if all Canadians are made to feel welcome in cyberspace. It can only be accomplished if hate and intolerance are not part of the emerging language of the information highway.

I urge all members to take the opportunity to speak out for the sake of our common future. Whether the information highway is to become a highway of hate or a highway of harmony rests in our hands.

[*Translation*]

Mr. Pierre de Savoye (Portneuf, BQ): Mr. Speaker, Motion M–384 put forward by the hon. member for Winnipeg North brings to our attention one of the concerns which modern technology arouses among the population.

Allow me to read this motion for the benefit of those who are listening to us:

> That, in the opinion of this House, the government should move with speed to adopt legislative measures aimed at stopping the spread of hate propaganda via the electronic Information Highway while simultaneously preserving legitimate use of the freedom of speech and expression.

• (1350)

Before moving on to the substance of this motion, I would like to take a few moments to explain simply and succinctly to this House and the public what is this information highway which has been the subject of increasing media coverage lately.

I will address not only the problem presented by Motion M–384 but also several related problems. Finally, I will share with you the results of my research on this subject and my conclusions. If I go beyond the 10 minutes allocated to me, I will then ask for the indulgence of the House in allowing me to conclude my remarks.

As everyone knows, the information highway is essentially a figure of speech designed to help us understand a reality. Let us take a look at it.

What this is is a system comprised of various means of electronic communication, such as telephone lines, television cable, optic fibres, radio and television antennas and towers, cellular phones and waves transmitted by satellite.

All these technical means of communication are in common use today. They are the channels through which information travels in various forms: telephone for voice, television for images, fax for documents.

These channels are very useful but also very slow. Indeed, when large amounts of information need to be transmitted at once, electronic channels get clogged up or jammed. That is why major communications companies are putting into place more powerful systems so that large volumes of information can be transmitted.

A single optic fibre can transmit as much information as thousands of telephone lines. Two satellites in orbit above the United States presently handle 200 television channels at a time. These new channels are called highways because they are larger and more powerful than traditional channels.

Let me say a few words about the major Canadian companies involved in the development of these electronic highways. Bell and other telephone companies are grouped under the mane Stentor. There is also the Unitel group and the Sprint group. Cable operators are also represented. Vidéotron and Rogers for instance are very much involved in the process. Two groups, PowerDirectTv and ExpressVu, want to broadcast television programming directly via satellite. These are the expressways of the future.

On the slower routes available today, there is a global network that already provides convenient information transmission through the telephone system. I am referring to Internet. The transmission of documents, images, voice, music, films—in fact, any form of communication is possible on this network.

This network works like a telephone system. You can dial the number of your correspondent and write or even speak to him; you can have a conference with several correspondents; you can leave messages with an automatic answering machine, a kind of 900 number, and the public can read these messages by dialling the 900 number. The numbers are referred to as addresses, and the services that provide access to these messages are called Mosaic and Netscape.

This network has an additional feature. You can leave information on a bulletin board, or take part in a discussion group. This is a kind of 900 number where everyone can enter information and read information entered by others.

We are now ready to deal with the substance of motion M–384. The problem referred to in the motion is that some Internet users leave hate literature in discussion groups, on bulletin boards or in any of the documents accessible through Netscape or Mosaic.

• (1355)

Although the hon. member for Winnipeg North does not refer to this in his motion, there are other problems such as obscene literature, photographs and films. Hate literature and pornography are not that widespread and are in fact a rarity on Internet.

There are other problems we must consider as well, because they are more widespread and have a greater impact, not only on Internet but also for instance, on DirecTv, and I am referring to the satellites that send us television signals from space.

What we are talking about here are crossborder sales of goods and services in contravention of the law, tax laws among others, through which capital is illegally siphoned off to foreign countries. We are also talking about the violation of copyright, through which a lot of capital is drained from Canada to foreign countries.

We should also stress the fact that Canada's Internet network is funded by the public through grants to universities, for example. This means that the whole population is paying for a service that is only really available to a very select few. Currently, this network is contributing to the emergence of two classes of citizens, those with access to information and those without. I am not saying that there are no solutions to these problems, I am sure that one will be found, I am just saying that these problems exist.

Let us return now to Motion M–384 which I have researched thoroughly. First, I sent the following message to several discussion groups on Internet: I would like to have your comments on the government's motion regarding the information highway, soon to be debated in the House of Commons. This was followed by the text of the motion.

Allow me to read extracts from three of the many responses I received.

So, from the Computer Science University of Manitoba:

[*English*]

"The answer to this one is in my mind very clear and simple, don't".

From Industry Canada, probably, an employee said: "If the wording of the proposed legislation said 'forbidding the spread' rather than stopping the spread, then the full force of the law could be brought down on anyone who used the info highway to spread hate propaganda, with that the notion implying that some technical mechanism is needed is probably undoable anyway".

Finally, a lawyer answered: "What precisely does this motion intend to accomplish and why is it necessary? There is already a section in the Criminal Code which applies to the publication of hate propaganda. As I read this legislation, it is capable of applying to information distributed on the information highway as well as to any other medium of communications".

[*Translation*]

Mr. Speaker, from these few reactions, it appears that the "internauts"—and that is how they are called—are in tune with our present discussions. As an "internaut" myself, I am happy to say that "internauts" do not hesitate to put those distributing hate literature in their place. Thus, the Freenet message from Columbus, Ohio, offering subscriptions to a magazine intended for, and I quote, "all the whites in the world" received two responses. They are both in English, and I will probably elicit a few beeps in reading them.

[*English*]

"Get your racist [bell] out of the Internet and yes I am white". Another message: "Get the [bell] out of Canada. Take the racist Canadians with you to your garbage–infested world. I too am white".

[*Translation*]

What I want to say is that, thanks to these electronic means, people who see the system is being abused literally flood the abuser to the point of blocking his system.

I also did some research in the Criminal Code. Section 163 concerns obscenity. It provides that anyone who produces, prints, publishes, distributes, circulates, sells, exposes to public view or possesses any writing, picture, model, record or other obscene item is committing an offence. Section 163.1 refers to mechanical or electronic means.

In terms of hate propaganda, section 318 of the Criminal Code provides that anyone making a statement in a public place inciting hatred is committing an offence. Furthermore, the Criminal Code defines "communication" as words spoken, written or recorded by electronic or electromagnetic means.

• (1400)

Yes, Mr. Speaker?

[*English*]

The Acting Speaker (Mr. Kilger): I was listening attentively to the hon. member's remarks at the beginning of his intervention when he expressed the desire to go beyond the ten–minute maximum.

[*Translation*]

It is nevertheless my duty to intervene since the ten minutes are up. Is there agreement in the House to allow the hon. member to conclude his remarks?

An hon. member: For how long?

Mr. de Savoye: Two or three minutes at most.

The Acting Speaker (Mr. Kilger): Is the hon. member allowed to go on for two or three minutes?

Some hon. members: Agreed.

The Acting Speaker (Mr. Kilger): The hon. member for Portneuf may continue.

Mr. de Savoye: Thank you, Mr. Speaker. With respect to hate propaganda, section 318 of the Criminal Code indicates that anyone who, by communicating statements in any public place, incites hatred is guilty of an offence. The Code defines "statements" as words spoken or written or recorded and "public place" as any place to which the public have access as of right or by invitation, express or implied.

As can be seen, what makes a statement characterized by hate or obscenity criminal is the fact that it affects the public. What goes on between two individuals or in a private group of individuals concerns them alone. But as soon as a statement becomes accessible to anyone at all, it is deemed to be in a public place.

Understandably the law must be implemented fairly and consistently. Thus, if the law prohibits certain actions, persons committing those actions should be dealt with in the same manner, whether the actions were committed in a business, in the street or on a telecommunications network. But we must not confuse the messenger with the message, with the initiator of the message, and think that the networks are responsible for what they carry, any more than we should hold the telephone companies or Canada Post responsible for the nature of the calls or mail they transmit.

Is it possible to identify where these documents originate? Not only is it possible, but it is quite easy, because each document is preceded by the destination address and the originating address. Of course, some organizations offer the possibility of anonymity. But in the case where a criminal act has been committed, they can reveal the sender's address.

Therefore, in Canada we are able to deal with these concerns. The problem is that most of these statements come from abroad. I did some research and it appears that Canada signed several international treaties dealing with hate propaganda: the Convention on the Prevention and Punishment of the Crime of Genocide; the International Covenant on Civil and Political Rights; and the International Convention on the Elimination of all Forms of Racial Discrimination.

Consequently, Canada should make arrangements with the other signatories to ensure that each of these countries will, at the request of another signatory, deal with the source of hate propaganda, obscene items, or with the sale of goods or services, on its own territory, which contravene its laws or the laws of the country making the request.

Although the motion tabled by the hon. member for Winnipeg North deals only refers to these issues indirectly, I understand that its object is to ensure that the law is applied consistently and that it is not more or less stringent when electronic means are used. This is why I will support motion M–384.

[*English*]

Mr. Ian McClelland (Edmonton Southwest, Ref.): Mr. Speaker, I congratulate my hon. colleague for Winnipeg North for the intent and thrust of the bill.

The introduction of a private member's bill in the House is the start of a long and torturous journey before the motion may become law and it may be amended before it gets there. What we are talking about today is the general intent of what we should be striving to achieve, for the kind of society which we want, what we find decent in our society and what we intuitively recognize and know as wrong and indecent.

Earlier we had a very difficult circumstance to wrestle with, the infamous killer cards. About this time last year we were being inundated with petitions from outraged Canadians from coast to coast asking why we allow this kind of trash to be distributed in Canada. There has not been one word spoken about it in recent times because Canadians, by and large, are pretty decent people. We recognize something which has no value. If it has no value it will not be supported and the normal market forces will cause the demise of whatever should not be around. That is exactly what happened with killer cards. They have fallen from the national agenda.

• (1405)

The point is just because that happened does not give us the freedom to say it is a perfect world and we do not have to worry about people who would spread hate and spread propaganda and sow the seeds of dissension and hurt in our society.

That is what this bill is all about. That is the intention. It is the general intention we support.

I do not believe it is possible to legislate morality. I do not think it is possible to legislate good taste. I do not think it is possible to write legislation that will keep hate propaganda or distasteful things we do not like to see off the information highway.

We should make our general intent very clearly understood so when the courts are adjudicating on a particular issue they know full well where Parliament stands representing the citizens of Canada.

We should stand shoulder to shoulder against the pernicious spread of hate propaganda and things that would hurt our society. We also have to stand shoulder to shoulder in protecting freedom of speech. Here we have these two conflicting ideals. How do we go about rationalizing and resolving these two conflicting ideas?

We have to use the whole notion of responsibility. We have to ensure anyone can get on to the information highway. We cannot prevent it in any event and so why bother trying? The information highway has grown from a year ago of 25,000 networks to 70,000 networks. The growth is exponential.

We should think of the information highway as the world's largest library with no librarian and no index. To try to put a handle on it will not work.

We should be working toward ensuring that when our courts have to make a decision based on the freedom of access to Internet that it comes back to personal responsibility. We have to ensure that everyone who gets on to the information highway recognizes they will be held accountable and responsible for what they do, just as it is done in our daily lives today.

All of us have and enjoy freedom of speech. It is part of of our culture. It is us. We also recognize that with freedom comes responsibility. We have the responsibility to use that freedom responsibly. That means I cannot go into a crowded movie theatre and yell "fire". I cannot do that with impugnity.

I can go outside and yell "fire" and people would think I am a nut. If I did the same thing in a crowded movie theatre where my actions put other people at risk I would be considered a criminal.

That is the distinction and the whole notion of personal responsibility. That is why it is so important this debate take place and that the intention of Parliament is very clear to the Supreme Court. The Supreme Court at least in recent years needs some clear direction.

I do not think our Supreme Court gets up every morning wondering how to best represent the people of Canada. In my opinion in recent years the Supreme Court has been getting up in the morning wondering how to push the limits of tolerance of ordinary citizens to the expansion of these charter ideals until it drives everybody crazy.

This debate is of extreme importance. It should not be taken lightly. We are not, at least I think I speak for most people in the House, in any way constricting the right of freedom of speech. We are sending a very clear message that one had better be prepared to accept responsibility for what one does.

Earlier my hon. colleague and friend from Portneuf mentioned that the Internet is by and large self–policing. Those who have used Internet will notice if anybody does or says something outrageous on Internet it does not take very long before they are overwhelmed by a response from other people on the Internet saying it is not right.

• (1410)

I do not think we should dismiss the potential and strength of self–policing. For instance, when people in a bar having a beer together are spreading these ideas and reinforcing each other's ideas it is very different than putting an idea across the Internet and being responded to by an avalanche of people saying: "You're crazy, you're wrong", just as my hon. colleague from Portneuf mentioned.

We need to put this into perspective as well. There have been some particularly good articles written about smut on Internet. An article which appeared in the *Globe and Mail* recently made the suggestion that everybody who was on Internet was an oversexed teenager. That is not the way it is.

That certainly is part of life but I defy anybody to go to a corner store and buy a quart of milk without passing a magazine rack. We do have choices in our lives and we have to make them. We can either stop and buy a smut magazine or we can pass them by. It is a personal choice and a personal responsibility.

Using the same analogy, these magazines are now, as a result of pornography laws in Canada, not displayed where kids can get at them. They are displayed high up and many of them are covered. What do we do in a situation in which we have the expansion of the information highway through which young people are far more familiar with the mechanics of it than we are?

This poses a fairly difficult problem. How do we go about keeping our children from scanning some of these very offensive things like Deathnet and others and still keep this freedom of information and freedom of speech alive? It is kind of like a lockout. Parents have to take responsibility for their children. It goes back to personal responsibility.

I think of the people in Edmonton waging this lonely but very valid and important war. Their son committed suicide and their concern is that his suicide was as a result of depression which was enhanced because of his addiction to listening to CDs of Nirvana and death music and that sort of thing.

It is part of our society and it is incumbent on us as members of Parliament to do what we can to get at root causes of problems and try to make the extra effort so that we keep our society the kind of society it is by and large today, the kind in which we want our children and our families to grow up.

Again I congratulate the hon. member for Winnipeg North for bringing this to the House. It will be a difficult and torturous journey but it is certainly worth it.

Mr. Andy Scott (Fredericton—York—Sunbury, Lib.): Mr. Speaker, I rise in support of the motion put forward by my colleague from Winnipeg North.

The idea of the propagation of hatred, regardless of whether it is through the computerized bulletin boards and the Internet, is morally repugnant and has been acknowledged as such in Canadian law.

Under the Criminal Code of Canada anyone who by communicating statements other than in private conversation wilfully promotes hatred against any identifiable group is guilty of an indictable offence and liable to imprisonment for up to two years. It is also a violation of the Canadian Human Rights Act.

It is the government's responsibility to ensure public spaces, whether cyberspace or not, are free from incitements of hatred against any particular group in society. We must be vigilant. It is not enough to be against racism, we must also be willing to fight it.

We cannot fall into the trap of only fighting when it is simple, easy and clear. Sometimes it is not easy. Questions of freedom of speech and freedom of academic expression enter the debate but we cannot hedge because we find the issues difficult. We must bring tolerance and societal rejection of racism to bear entirely in that debate.

• (1415)

I quote from the Canadian Bar Association, 1984: "Canada has never recognized the concept of unlimited freedom of expression. In order to prevent harm to others, Canadian legislators have imposed a number of reasonable limits on freedom of expression".

Laws in Canadian society which limit the ability of individuals to communicate hate are based both on international standards and on the the specific character of Canadian society. Canada has signed two international conventions which require us as citizens of the world to prevent the spread of hate propaganda.

The Convention on the Prevention and Punishment of the Crime of Genocide was ratified by Canada in 1947 and reinforced by article 20 of the United Nations International Covenant on Civil and Political Rights, which Canada ratified in 1976.

Further it should be noted that the Canadian Charter of Rights and Freedoms does not necessarily guarantee an unlimited right to free speech. Section 27 of the charter states: "This Charter shall be interpreted in a manner consistent with the preservation and enhancement of the multicultural heritage of Canada". Thus, one may argue that hate propaganda has no place in the political discussion of a multicultural society.

The information highway is currently being used by over 40 million people. It can be an instrument of good or an instrument of evil. For example, information can instantly be shared between a university library in Germany with an online university in New Brunswick. It compresses time and distance like no other technology yet developed.

It creates a truly global village in which we can all profit from the gains in knowledge in countries halfway around the world, simply with the click of a button. On Parliament Hill and in federal departments, this technology is being introduced and used.

Since the government is actively promoting the use of the technology, we have a responsibility to guard its innocence because it is not only a tool used for good, but also for evil. Organizations such as the Ku Klux Klan and Holocaust deniers have news groups that propagate their messages of hate and intolerance toward minorities over the Internet. These messages are fully accessible to the public.

I have read some of these messages and they are filled with racial slurs and disgusting language. Not only are they using the Internet as a conduit for their messages of intolerance, but I am advised pro–Nazi groups have recruitment programs in which they go to schools and encourage young people to embrace their ideologies.

These postings on the Internet can easily be found by children, who many would agree, and as my colleague has mentioned, are among the most knowledgeable about this technology. Many use the info highway in schools and have greater understanding of it than their parents.

The child can easily be one step ahead of the adult, leaving the parent powerless in monitoring the child's activities and open to these postings. These messages have a powerful impact on young minds. Herein lies the difficulty of parental control and why it is important for the government to be engaged in this exercise and to enact legislation that would actively prohibit this kind of message from being sent in the first place.

Because of the complexity of this problem, it is important for the government to establish a centre of responsibility to deal not only with this question, but with questions of trade, copyright issues and education, either by establishing a minister for this technology or designating responsibility to an existing department, or beyond that, it should be done by the Minister of Industry.

We could follow the model of New Brunswick, where there is already a secretary of state responsible for the information highway. There has been considerable debate in my own constituency of Fredericton—York—Sunbury around the propagation of hatred on the Internet. It is my intention to strike a committee that would make recommendations through me both to the Minister of Industry and his advisory committee and to Parliament on how some of these issues should be tackled. It is a new problem and there is a need for broad input.

However, there must be a balance. We cannot let our efforts here lead to incidents of excessive restrictions on speech. It is an important right that cannot be ignored. There are laws against the enticement of hatred against certain groups and they also must be upheld, improved and their values applied to new realities.

As a government we must promote the truth. We must also be aware of those who are promoting another agenda. It is my personal belief that within all of us is the instinct for tolerance, fairness and compassion. It is only out of fear, misinformation and insecurity that we turn to emotions that are less generous.

This is a global problem. If Canada were to adopt legislation that would screen out certain messages, there is nothing stopping someone from simply clicking to another country and signing on from there. They would have access to everything. That is why we need to work with other nations in formulating guidelines for the information superhighway. The Group of Seven meeting this summer in Halifax would be an ideal event at which to engage our fellow member countries in the discussion.

• (1420)

If we could agree on a vision for the future of this technology, it would be a great step forward. We are a fair–minded, resourceful and enlightened population and our resolve should not be diminished by the magnitude of the task. I am confident that a solution will be found which will ensure that everyone, regard-

less of ethnicity or lifestyle choice, will be able to use the electronic highway free from fear of harassment and verbal abuse.

I am pleased to second the motion of the hon. member for Winnipeg North. I call on all members to say no to the propagation of hatred, regardless of the medium.

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is a great pleasure for me to support the bill of my friend and colleague from across the way on this very important and much ignored aspect of the late 20th century.

Freedom of speech is something which we in our country have held in the highest regard. It is a pillar of a truly democratic society and, as such, sets us apart from the restrictive, abusive and undemocratic societies that we have seen about us in the past, such as those in Nazi Germany and in China. We have seen repression where freedom of speech has not been recognized. In fact, not having freedom of speech has enabled the few to stifle the many.

However, like most rules we have in this world they are inviolable. They too are subject to perversions, but when common sense and logic are applied to them they bear no resemblance whatsoever to what was the intended rule. Freedom of speech is no different.

We live in a world today which our forefathers could not have imagined and which those individuals who constructed the aspects of freedom of speech as being a pillar of democracy could not have imagined. They could not have thought or dreamed of the challenges which we face today. As such, they could not imagine the ways in which people could use free speech as a shield or as protection to blatantly incite hatred, violence and prejudice against other individuals. They could not have imagined this because they could not have imagined something like Internet.

I will give the House some examples of what has occurred on Internet recently. In my region of Vancouver Island, in the city of Victoria, something called a deathnet has occurred. Specifically, it caters to teenagers and children. It is a program on how to commit suicide. It tells them how to do it with plastic bags, glue, knives, ropes and chemicals.

We have lauded the aspects of freedom of speech and freedom of choice. As adults we presumably have the experience and the knowledge to make informed choices. However, where this falls apart is when we are dealing with children. All of us in the House will recognize that one of the aspects of children is that they do not have the maturity, the knowledge and the experience to make informed choices. Where the Internet differs from the magazine racks in our local corner stores is that in the corner store children do not have a choice to make because the material is too high. They are also monitored by the individuals who work in the stores. That is not so with Internet.

Internet is basically a free–for–all. One of the sectors of our society that is the most literate in computers is youth. Many youths are more facile with computers than many individuals in the House, myself in particular.

We also have hate mongering by the KKK and other groups whose main intent has been to put forth abusive, hateful, spiteful information on the deathnet for no good cause whatsoever.

• (1425)

This cannot continue. That is why my colleague who is a physician and a very concerned person has put forward this initiative. He has experience in these matters as a pediatrician. He knows full well the dangers of allowing very impressionable children to be subjected to this type of information. As I have said before, adults are a different matter altogether. They have choice but that does not necessarily apply to children.

There are laws which apply to the wire media, the print media. There are rules and regulations which apply to hate mongering, child pornography and such. There is no logical reason that these reasonable rules cannot also be applied to the Internet. There have been concerns that no, it is not possible to do this because there are too many access points and there are too many people logged on.

This country has proven to be a world leader in so many areas. We can continue to do so by taking that leadership role on the Internet. We can show the world we are not prepared to have hate mongering within our country.

It is interesting to note that the United States Congress and Senate also have a bill relating to the proliferation of this type of information on the Internet. It is a worthwhile endeavour. Perhaps through my colleague's initiative we as a country can work with our neighbours to the south to push for this worthy cause.

Just because it is difficult does not mean to say it is impossible. A few other concerns exist on the Internet. I am sure they will rise in the course of the prolonged discussions which will come out of this initiative. They also involve personal privacy and security of information.

Many of us in this House are aware that a number of recent cases have come up of people's security and personal information which are protected under the law but violated through the Internet. Cyberspace is a free for all. Freedoms are good but when they are abused against the common good, it is intolerable and unacceptable to Canadian society.

I will close by giving my wholehearted support to my colleague for this initiative. It is worthwhile. We should not buy the argument that freedom of speech is something that is inviolable. Like all rules, it can be subject to exceptions.

The main reason for doing this is not so much for the adults because of the freedoms we have but primarily for the children. It is impossible, no matter how hard we try, to prevent children from logging on and seeing the stuff.

For their betterment and for the betterment of Canadian society, I hope this House will take it upon itself to support the initiative of my colleague.

The Acting Speaker (Mr. Kilger): The time provided for the consideration of Private Members' Business has now expired. Pursuant to Standing Order 93, the order is dropped to the bottom of the order of precedence on the Order Paper.

It being 2.30 p.m., this House stands adjourned until Monday next at 11 a.m. pursuant to Standing Order 24.

(The House adjourned at 2.30 p.m.)

HOUSE OF COMMONS

Monday, April 3, 1995

The House met at 11 a.m.

Prayers

PRIVATE MEMBERS' BUSINESS

[*English*]

CRIMES AGAINST HUMANITY

Mr. Sarkis Assadourian (Don Valley North, Lib.) moved:

That, in the opinion of this House, the government should designate the period from April 20 to 27 of each year as the week in which we commemorate the issue of man's inhumanity to his fellow man to remind Canadians that the use of genocide and violence as an instrument of national policy by any nation or group at any time is a crime against all mankind which must be condemned and not forgotten.

He said: Mr. Speaker, I welcome the opportunity to present my motion to the House. The motion calls for designating the week of April 20 to 27 to commemorate the issue of man's inhumanity to his follow man.

I chose April 20 to 27 because April 19 and 20, 1939 was the beginning of the Holocaust committed by the Nazis against the Jewish population. April 27 was the end of the apartheid regime in South Africa which gave the South African population the right to vote; the one man, one vote concept.

I want to present to the House the definition of crimes against humanity. The first time this term was used was in the London Charter of 1945, the structure and basis for prosecution of major war crimes before the international tribunal at Nurnberg. Crime against humanity presents a distinct category of international crimes. Article 6(c) of the charter defines crimes against humanity as murder, extermination, enslavement, deportation and other inhumane acts committed against any civilian population before or during the war; or persecution on political, racial or religious grounds in execution of all in connection with any crime within the jurisdiction of the tribunal whether or not in violation of the domestic laws of the country where the crime was perpetrated.

I have personal experience with violence, genocide, deportation and the beginning of a new life. On many occasions, Mr. Speaker, you have spoken on this crime. I invited you down when I was working for the Armenian community in my home town of Toronto.

I will tell the House about my experience this year in July when I went to the Middle East for the first time since 1967 when I left. It was my intention to visit Der–zor where documentation shows that hundreds of thousands of people were deported from their ancestral homelands and driven to Der–zor and left there to die or were killed by the Ottoman Turkish soldiers at the time.

Even today when one goes there and puts a hand in the sand one has to go down only six inches to pick up the bones and remains of human beings. The river running through Der–zor is a very historical scene to Canadians of Armenian origin and many other Armenians living throughout the world because in that river we saw bodies floating in the same way we saw bodies floating last year in Rwanda. I saw that river, I walked in that river and I remember the past, 1915.

My personal experience with the holocaust of Armenian origin was in 1965 when I was only 17. I knew the extent of the holocaust that my ancestors went through. Since then and before that many other people went through the same crimes against humanity.

I regret to say that so far humanity has never brought a single person to justice. Even with what we saw last year in Rwanda, today there is not one single person accused of crimes against humanity. When will we take charge and outlaw this crime and punish them so they will not be able to repeat the crime and then enjoy the fruits of their crimes against humanity?

As I mentioned, April 24 was the beginning of the Armenian genocide committed by the Ottoman empire in 1915. On that day 300,000 intellectuals were rounded up from their houses and taken into the desert. The leadership of the community was taken so there would not be resistance to this crime that was to be carried on for the next eight to twelve months.

As a result of the holocaust 1.5 million people were murdered and another 500,000 were deported from their homelands. As of now the crime remains unpunished.

My motion calls for this not to be forgotten, but it never says not to be forgiven. Forgiveness has to come when those who committed the crime ask for forgiveness. They also should be ready to be forgiven because forgiveness is the nature of human

beings. We cannot forget because if we forget we are condemned to repeat it.

We all know very well what happened to the Jewish population in World War II beginning in 1939. Adolf Hitler had many excuses, but as far as I am concerned there is no good reason to commit violence or genocide in any shape or form. This cannot be comprehended by an ordinary person. There is no reason to commit, especially in this case, crimes against humanity.

• (1110)

The world was silent. It stood silent while six million Jews were slaughtered. Nobody said a word until the war was over. Why did we have to wait until the number reached six million before we spoke up? Why did we have to wait until the numbers reached 1.5 million before we spoke up? Why can we not make our position known to everybody that this will not be tolerated?

In 1975 in Cambodia in a city of three million, two million were wiped out. We did not say a single word. The UN did not act in any way. Is this the way to treat criminals? We cannot tolerate this forever.

Today in Yugoslavia UNHCR estimates that more than 100,000 Bosnians were massacred and 300,000 were deported. Again, there is not a single international tribunal to punish those who commit these crimes so they will not be repeated.

I spoke earlier about Rwanda. We had discussions about whether to send our troops to Rwanda for peacekeeping. I stated in response to a member of the opposition that we should have discussed this issue further.

In two weeks half a million people were killed. Technology has advanced so much that half a million people can be killed in two weeks and yet we in this country and other countries sit back and ask what to do next. I propose we do something about it now. Let us declare the week of April 20–27 the week of man's inhumanity to his fellow man so we can educate the younger generation that crimes against humanity must be punished. There is no escape when a crime is committed, be it a small or a large crime.

Even today violence is taking place in the Middle East. Yesterday a three–year old child was killed for no reason. Who will stand up and condemn this violence against innocent people?

In 1939 when Adolf Hitler was giving his orders to SS units to slaughter the Jewish population, he said: "Who remembers the extermination of the Armenian people today?" That was on August 9, 1939. Today is April 3, 1995 and I hope and pray the House will remember the message of Adolf Hitler was wrong in 1939. A continuation of this cannot be tolerated.

Many ministers of the government and members of Parliament spoke against genocide in the past. I quote three of them. The hon. member for York West on April 24, 1985 in the House said: "Today the Armenian militia commemoration serves to remind us all in a profound way of the importance of fulfilling our commitment to human and minority rights".

The Deputy Prime Minister said: "It is not simply a question of a problem over there in a far away country. It is a question of human rights, not only for the Armenian community but for all communities".

For the last 25 years on April 24, I have demonstrated in front of the Parliament buildings along with many thousands of people. I and many members of the House have spoken against genocide. We should continue to do that because it is very important to remember. We have to ask ourselves what has happened over the last 25 years of protest, of demonstration and condemnation. The House was silent.

I call on the House to recognize these crimes against humanity and to make sure we know Hitler was wrong, that the world remembers and the House remembers.

• (1115)

Mr. Speaker, with the consent of the Chair and this House, I would like this motion to be a votable item if possible.

The Deputy Speaker: The hon. member could bring it up at the last minute or two and ask that by unanimous consent it be made a votable item or he could do it now if he wishes. Which is his preference?

Mr. Assadourian: I will wait because there is going to be an amendment made to the motion.

[*Translation*]

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, I want to thank the hon. member for Don Valley North for tabling this motion to designate a week to commemorate the victims of genocide. I also commend the hon. member for Saint–Denis.

The hon. member for Don Valley North is very involved in his community. In fact, he is the first member of the House of Commons of Armenian origin and, as such, like all the members of his community, is very concerned about the issue of genocide and the suffering of its victims.

Since I am in favour of recognition by the Government of Canada of the genocide of the Armenian people, I welcome the opportunity to speak to this motion today. Because I also feel very close to this community, on February 1st this year, I wrote to the Minister of Foreign Affairs to condemn a decision by the Armenian president to prohibit temporarily the FRA Dachnaktsoution Party, in December 1994.

The motion, therefore, proposes that, to ensure that this crime against humanity is condemned and we remember the genocides of the past, the Canadian government designate the period

between April 20 to 27 of each year as the week to commemorate the victims of genocide.

I must point out that the suggested date coincides with the sad anniversary of the first great genocide of the twentieth century, that of the Armenian people in April 1915, when more than one million people were killed. In fact, the purpose of the amendment I will move later on will be to express what is implicit in this motion.

I would like to quote what was said by a survivor of this genocide, Aram P. Aivazian, who wrote an important book entitled: *Armenia usurped by genocide and treachery.* This book describes the horror of this crime against humanity and subsequent government denials. Mr. Aivazian wrote:

[*English*]

"As a survivor in Canada, I am left with a daily echo of these memories, the brutally ignored and shamelessly denied tragedy of the Armenian holocaust. The rest of humankind have their own places in the sun, but not my fellow exiled Armenians who lived under foreign flags, deported by brute force and massacred with no option to return to their enslaved homeland".

[*Translation*]

Mr. Speaker, these words could apply to all who have been exiled or deported from their homeland. The steadfast refusal to recognize the Armenian genocide, this first holocaust of the twentieth century, is an attitude we must condemn, because denying that it exists is the ultimate step in the process and constitutes a form of indirect support. Silence is a form of consent.

This Liberal government, when it was in the opposition, supported recognition. Now that it is in power, it should, with the opposition's support, specifically condemn the Armenian genocide. However, this government now subordinates human rights to political and economic interests, which goes against traditional Canadian values.

I want to remind my colleagues in this House that many political figures in Canada have come out in favour of recognizing the Armenian genocide. The hon. Marcel Prud'homme, now sitting as an independent in the Senate and former Liberal member for Saint–Denis, intervened twice in 1990 and 1993, to ask the Conservative government to recognize the Armenian genocide.

In March and April 1980, the Ontario Legislature and the Quebec National Assembly passed a resolution asking the Government of Canada to recognize and officially condemn this genocide and the atrocities committed by the Turkish government against the Armenian people.

On May 11, 1984, the Hon. Sinclair Stevens rose in the House to recognize the existence of this genocide and to say that action was necessary. On May 27 and 28 1984, the hon. members for Edmonton Southeast and Willowdale, members of the present government, spoke to this House on the subject of the Armenian genocide.

I shall, if I may, quote what was said by the hon. member for Edmonton Southeast:

[*English*]

"But the Armenian slaughter is an act of history and we cannot wipe clean for the Armenian descendants by pretending it never happened".

• (1120)

[*Translation*]

Finally, in May 1985, in the Quebec National Assembly, Gérald Godin, who is recently deceased and who was, at the time, the Minister of Cultural Communities, reiterated his condemnation of the genocide.

His motion was seconded by Claude Dauphin, the Liberal member for Marquette and by Thérèse Lavoie–Roux, who is now a Conservative senator. At the time, she said that, in international relations, because of economic and other ties Canada has with Turkey, the federal government was known to exercise extreme caution before taking any initiative. She added that the peoples' court, in Paris, had confirmed in a decision on April 16, 1984 that there had indeed been a genocide.

Until people take more positive action to stop it, there will continue to be a sort of conspiracy of silence surrounding the genocide of the Armenian people. It must be brought to light; it must be given international recognition.

Le Devoir of May 23, 1984 carried long extracts of a lecture given at McGill University by the former Minister of Justice of Quebec, Herbert Marx. It said, and I quote: "After giving the background to the tragic events of 1915–16, Mr. Marx expressed his outrage at the fact that the genocide of the Armenian people was never officially recognized because of interventions by the Turkish government at the United Nations".

On April 20, 1994, I rose in this House, on behalf of the Bloc Quebecois, to call upon this government yet again to recognize this genocide.

On April 22, 1994, two other members of this House made statements in this regard, including the hon. member for Don Valley North, who not only denounced the Armenian genocide but called on the Government of Canada to recognize it. He said, and I quote: "—I call upon the Government of Canada to recognize and condemn the Armenian genocide and formally request the Turkish government to assume responsibility for this atrocity once and for all, as Germany did for the six million Jews in World War II".

Considering all these expressions of sympathy and declarations, how can we not recognize the existence of the genocide?

On June 18, 1987, the European parliament recognized this genocide, as did the Russian parliament, more recently, on April 22, 1994.

For this reason, the hon. member's motion is so appropriate today. We should not forget such a crime against humanity. Canada should not side with countries which have chosen to forget and which are relying on time to wipe away the memories of it.

On April 23, 1994 I and several other MPs attended a commemorative evening in Montreal, which drew several big political names. The guest speaker, Mr. Hrayr Balian, the permanent representative to the UN in Geneva of an NGO which defends human rights, said that the challenge facing the international community is prevention. The best prevention is ensuring that the persons responsible for past and current genocides be punished for their heinous crimes.

He added that relations between Turkey and the Republic of Armenia cannot be based on ignorance and denial of the past. One of justice's basic goals is that the perpetrators of a crime be held responsible and that the rights of the victims be protected as much as possible. For there to be justice, the truth must be revealed, demonstrated and the guilty parties must admit their guilt.

In this sense, I can only deplore the fact that the motion is not a votable item, and our party will support the petition made by the hon. member for Don Valley North that it be votable. We would also like to reiterate our support for the request that the Government of Canada specifically recognize the Armenian genocide.

In closing, setting aside a week to commemorate victims of genocide is a step towards recognizing the Armenian genocide, and a real step towards preventing the reoccurrence of this kind of crime against humanity. To this end, I move, and the member for Frontenac seconds:

> That the motion be amended by adding the phrase "particularly to mark the 80th anniversary of the Armenian genocide", after the word "government" and before the words "should designate".

• (1125)

[*English*]

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Mr. Speaker, it is a pleasure today to speak on the motion of my esteemed colleague from Don Valley North. The motion is to recognize April 20 to 27 as a week to remember man's inhumanity to man and to recognize that genocide and violence must be condemned and not forgotten.

Since the close of the cold war, people have expected that the world, liberated from nuclear threat, would be more peaceful. In fact, we expected a peace dividend that could strengthen our own economy and which could be used to bridge the huge chasm that exists between those of this world who have and those who have not. However, as the years have shown, the reality has been much different.

With the collapse of the U.S.S.R., ethnic tensions long suppressed have been unleashed. The rise of the nation states to fight over dwindling and finite resources, the exploding world population especially in developing countries and environmental degradation have all combined to unleash an orgy of violence and bloodshed which affects millions of people every year.

More recently, Rwanda has seen half a million people killed within two months. Burundi has seen 100,000 people killed in one month. In Angola 1,000 people are killed per day. The situation in the former Yugoslavia which blew up and killed so many thousands is yet a tinderbox and can explode at any time. These are the more obvious examples.

There are many more hidden, dirty little conflicts that occurred in the world to which the western world was oblivious, such as the Kurds in northern Iraq. In Sudan for years people have been killed. There was killing in East Timor and Sierra Leone. The list goes on and on. It is an embarrassment to the world community.

If there is one thing the world has demonstrated in the face of this carnage, it is its impotence to deal with these situations and in fact, the precursors of these situations, even when the writing has been on the wall for so many years. The response of the international community has been a succession of collective sighs, groans and handwriting. The world does not get involved and when it does, it is too late for the thousands upon thousands of civilians who were killed.

It is important to realize that it is not those who have arms who bear the brunt in these conflicts; it is the innocent men, women and children who are slaughtered indiscriminately and are defenceless. Once we do get involved, it is costly both in terms of our dollars and in terms of our people who we put in harm's way.

Furthermore, the groundwork for future carnage has been laid, for in these civil conflicts hatreds will be branded into the psyches of generations to come. Children are told by their parents to hate Muslims, to hate Jews, to hate Chechens, to hate Tutsis, to hate Hindus, Tamils, Croats, and the list goes on. They in turn tell their children who tell their children and the cycle repeats itself with deadly efficiency. Memories are long for these carnages and hatred dies a difficult death.

There were in fact over 120 conflicts in the world. In the future we can see the pots boiling over in Burundi, Nigeria, Sierra Leone and even in Kenya. Some only with extreme restraint have prevented this from occurring, such as in Tibet. The people there deserve a lot of credit.

If there is not a radical change in the way foreign policy occurs in this world, there will be an increasing number of these conflicts. In fact, peaceful nations will exist as a sea among a river of blood and turmoil.

Why should we get involved? Apart from the obvious humanitarian aspects, perhaps the easiest way to describe it to the people of our country and other countries is to preserve our basic self–interests. What occurs half a world away will wind up on our doorstep. Borders are porous and people migrate. They migrate from areas that have not to those that have, from areas in conflict to those which are peaceful, from areas which are resource depleted to areas which are rich in resources.

People will come here in droves and our current economic situation is ill equipped to deal with it. Furthermore, it will affect our societal and economic situations so that we will not be able to help our own people and we will not be able to help those in have–not areas.

We must have a plan. In short, what we must do is prevent the conflict before it happens. To prevent the problem we must understand it. I think it is wise for us to distil the problem down to its simplest form. We must simplify it down to its common denominator, which is the individual.

All individuals must have their basic needs met. These include food, shelter, water, medical care. I would also add safe, effective birth control, education, good governance and a fair judicial system. When a person has all of these it is very difficult to incite someone to commit violence against other people.

• (1130)

Therefore the world community must recognize the precursors of conflict and have a system to address them. Set up a list of transgressions by offending groups such as genocide, gross transgressions of human rights, the abuse of a country's economy, overt military spending, subjugating a people and trampling on their democratic rights. All of these have to be considered. With this list there should be another list of the consequences that the international community can mete out to these individuals.

Despite all that has been said before, the United Nations is probably the best bet today. Diplomatic initiatives must be put forward: sanctions where necessary, along with decreasing non–humanitarian aid or eliminating it to those belligerents, using the IFI as an economic lever to force belligerents apart so that they have to solve their problems. Rather than solving them at the end of an assault rifle, solve them at the diplomatic table.

I would also add a word of caution. We make a fundamental mistake in diplomacy. We ordinarily assume that those we are dealing with across the table actually represent the best interests of the people. That is not always the case. History has borne that out. Not all people have the best interests of all of their civilians at heart; rather they often have the best interests of their specific tribe, and I use that in the broadest sense, at heart. It is important for us to realize that and to understand it when we go into these discussions.

The world is looking for a leader to do this. It is looking for a middle power, one with an impeccable reputation, one with no history of imperialism or materialism, one with a proven track record and one that is widely respected. I would submit that that country is Canada. We can organize the middle powers to set up a system to influence the world body to prevent these conflicts from occurring, to set up those systems that I have just described of transgressions and penalties that need to be elucidated in no uncertain terms to the international body.

The ultimate power to do this would be the United Nations. I have a few simple suggestions. Expand the security council to be the G–24; decisions on votes need a two–thirds majority; eliminate the power of veto; and, to help with the financial crisis, if you do not pay you do not vote, if you do not vote you do not have any power.

These are some suggestions I have that we can put to the international community to help the United Nations deal with these problems.

International aid must also be revamped to help people to help themselves in a sustainable fashion that is culturally sensitive. We must focus on the basic needs to enable people to provide for themselves if they are not going to go ahead and try to commit atrocities on other individuals and provoke the conflicts that have plagued us throughout our history for so long.

I would also decrease government to government aid and increase the influence of NGOs. This would be in keeping with today's restricted budgets and the necessary cuts that must come from all aspects of government, including ODA.

Having said all this I will close. Every year we commemorate the Holocaust and World War II and say never again. The reality is that never again occurs again and again and again. This is a tragedy from Angola to Burundi, to Cambodia, to Tibet, to the former Yugoslavia. These tragedies have occurred and frightened all of us.

Mankind has continually demonstrated efficiency in committing atrocities against his fellow man with impugnity. The world has said nothing. We have learned nothing.

I hope as we approach the new millennium that Canada can take it into its heart to realize that part of its grand destiny is to take a leadership role on the world stage to link those parts of the international community and construct a forceful, powerful, peaceful bulwark against those individuals and groups that wish to stir up conflict and stir up animosity.

• (1135)

I hope we will support this motion on man's inhumanity to his fellow man. Also I hope we understand this is not a matter of choice but a matter of necessity.

[*Translation*]

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Mr. Speaker, it is a genuine honour for me to address the House today in support of this important motion. I commend my colleague, Mr. Assadourian, the member for Don Valley North, on his initiative.

The twentieth century has seen two world wars and numerous historic conflicts, but crimes against humanity are still not relegated to the past, atrocities are still committed daily in too many countries, where civilians are subject to torture, enslavement and mass deportation. Every day, we witness the persecution of minorities because of political beliefs, race or religion. Although the Geneva Convention condemns such actions, they continue to take place.

[*English*]

Motion No. 282, introduced by the hon. member for Don Valley North, will bring Canada, as a member of the international community, one step closer to helping to eradicate from our world these unacceptable acts.

It is essentially a moral question that we ask. Can we continue to be an active member of the international community and allow these atrocities to continue? I think not. We must first be able to internationally acknowledge that atrocities against humanity are unacceptable, then allow for the legislation to follow.

[*Translation*]

As representatives of a country renowned for its support of human rights, we know that Canadians condemn genocide and the use of violence as an instrument of power. By not recognizing such actions for what they are, we support them as national policy.

It is a sad commentary that the media too often still can look to the horrors of crimes against humanity for their headlines.

[*English*]

A brief historical overview of only a few of these acts will give everyone the proof they need to acknowledge that these acts are criminal and should be condemned.

The Armenian genocide which took place during the first world war is perhaps the most vivid example of genocide as an instrument of national policy by the Ottoman Turks. What makes the Armenian genocide such a particular example is that unlike the genocide of the Jewish people which took place during the second world war, the international community did not try the war criminals or even formally acknowledge the massacre took place.

While several countries such as Italy, France and Israel have passed parliamentary decrees formally recognizing the Armenian genocide, the international community as a whole has not taken the steps necessary to condemn these horrible acts of inhumanity. There are unfortunately many examples of such atrocities, some well known, others such as the Asia Minor catastrophe of 1922, not so well known.

By the end of the first world war there were close to two million Greeks inhabiting the region of Asia Minor on the west coast of present day Turkey. The Greek population has lived in this region for over 3,000 years. In 1922, these people, like the Armenians and other minorities of Turkey, were subjected to the first ethnic cleansing of the 20th century.

During the summer of the tragic year, 600,000 Greeks of Asia Minor were exterminated by the forces of Mustapha Kemal, the father of modern Turkey. Another 1.5 million people were forced to leave their ancestral homes and then dubbed as refugees in Greece. These acts were not sporadic or spontaneous but a cold, calculated policy of the new Turkish state to establish an ethnically pure population. In this orchestrated act of mass murder, the Turkish government also burnt and destroyed thousands of churches, schools, even cities and towns that were identified with the Ioanian Greeks.

These atrocities were witnessed by foreign diplomats, correspondents and thousands of individuals from every walk of life. The international community did nothing to condemn the atrocities taking place.

• (1140)

Although the United States, Britain, France and Italy had ships and troops stationed on the coast of Asia Minor, they refused to intervene. The failure of these countries to condemn the actions of the Turkish government encouraged other states to practise genocide as government policy. The Holocaust of the second world war offers the most graphic example of inhumanity by a modern state.

In 1974, Turkey once again embarked on a course of action that led to the invasion and occupation of northern Cyprus. Once again the cycle of violence and destruction was an integral part of the Turkish policy. Thousands were killed during the invasion and approximately 200,000 Greek Cypriots were forced to abandon their homes and become refugees in their own country.

I had the occasion to visit Cyprus this past January with some of my colleagues. We witnessed firsthand what is the reality of the Cypriots living in Cyprus. Over 1,600 missing persons are still unaccounted for.

Turkey was condemned by the international community but except for peacekeeping, no action was taken to force the Turkish government to withdraw its occupation forces. Instead, the government in Ankara proceeded to establish a puppet

Cypriot–Turkish state and transplant thousands of Anatolian Turks to increase artificially the Turkish population of Cyprus.

In northern Cyprus the Ankara government has made every effort to erase any traces of Cypriot cultural identity. This has not only destroyed the economy of northern Cyprus, it has practically eliminated the cultural heritage of the Greek–Cyriot community, a community that had developed a unique identity among the people of the Middle East and Asia. What was once a prosperous region and home to Greek and Turkish Cypriots, the northern part of the island has become an economic and cultural wasteland.

Unchecked aggression only leads to further acts of barbarism and genocide. That is why we must all lend our support to Motion No. 282. In the last four years, we have witnessed the cataclysm that has befallen the former Yugoslavia. All the warring factions are guilty of mass killings, ethnic cleansing and cultural genocide to varying degrees but the cycle of violence has not stopped. We only need to look at the mass murders that have taken place in Somalia and Rwanda to confirm the fact.

I add that as recently as two weeks ago, Turkey was bombing the Kurdish minorities in the northern part of Turkey. In all of these examples, the killing, destruction and forcible movement of populations have been acts of deliberate policy and not random excesses of rebel or uncontrolled government forces.

By acknowledging these historical examples as crimes against humanity, we are acknowledging that past and present crimes are unacceptable. We must do our part as parliamentarians to encourage the international community to make greater efforts and prevent future crimes against humanity.

By passing this motion, we are one step closer. In addition I ask the hon. members to adopt this motion with the amendment as a votable motion.

[*Translation*]

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, I rise to support Motion M–282 put forward by my colleague, the hon. member for Don Valley North, to designate the period from April 20 to 27 of each year as the week in which to commemorate and pay tribute to the victims of crimes against humanity and to strongly condemn such crimes, in particular the use of genocide and violence.

[*English*]

I congratulate my colleague from Don Valley North for this motion.

[*Translation*]

I also support the amendment moved by my Bloc colleague for Ahuntsic. As you know, I immigrated from Chile in 1974 following the September 11, 1973 coup d'état. More than 30,000 Chilean men and women were killed or reported missing under General Pinochet's dictatorship. It was a very dark period in Chile's history. Opponents of the military regime fell victim to a kind of genocide. Other dictatorships and civil wars in Latin American countries, including Argentina, El Salvador, Brazil and Uruguay, caused the death or disappearance of thousands of people. International organizations and global public opinion were powerless to stop these gross and flagrant abuses of human rights.

• (1145)

Fortunately, all this is in the past and a wind of democracy is now blowing across Latin America. However, the people have demanded that their new democratic governments enact laws providing for prosecution of those responsible for these terrible crimes and compensation for the families of victims. In Chile, for instance, President Patricio Aylwin apologized on behalf of the government after publicly recognizing that such crimes had indeed been committed.

It must be pointed out, however, that the efforts made to uncover the truth and punish those responsible for these actions have been rather limited so far. There must be no prescription for crimes against humanity. The UN must take more concrete initiatives in this area. Conventions have been signed but are not being enforced. A case in point is the current slaughter in the former Yugoslavia, which we are all powerless to stop or bring under control.

In 1985, following the atrocities committed in several countries of the hemisphere, the Organization of American States adopted the Inter–American Convention Against Torture.

Today, the OAS is more active in the area of human rights violations and tries to promote democracy as a means of preventing such violations in the future. But these efforts need to be stepped up and Canada, which joined the OAS in 1990, can do much more in that regard. The international community cannot and must not tolerate these violations of international law. We must learn from past mistakes and the inhumanity displayed by certain countries, governments and military or police forces.

I rose in this House on numerous occasions to denounce the genocide in Rwanda in 1993 and 1994. On the eve of the 21st century, it is unthinkable and intolerable that such situations continue to occur.

Canada must do its share, following the civil war in Rwanda, notably by taking in refugees. So far, according to my information, ICSI has not processed more than a hundred refugee claims. It is obvious that Canada is not rising to the occasion with respect to Rwanda.

And unless the international community, and the UN in particular, mobilizes, the same thing is bound to happen in Burundi, where thousands have died already and many more are fleeing, mostly women and children.

We must ensure that the same atrocities that were observed in Rwanda are not repeated in Burundi.

Both before and after being elected to this place, I have repeatedly denounced the Armenian genocide of 1915–16, in which more than one million were killed.

I take this opportunity to, once again, show solidarity with the Armenian community in Quebec and Canada, a community of which the hon. member for Don Valley North is a member. I congratulate him on his excellent work on that issue.

Also, I rise in my place to denounce most vigorously the crimes committed by the Nazis against the Jews in the Second World War.

• (1150)

All present or future generations must remember the holocaust in which six million Jews were exterminated. In a few weeks, we will be commemorating the anniversary of the Holocaust. I will take part in the ceremonies marking that day and, on behalf of all Bloc Quebecois members, we will, once again, denounce the slaughter of European Jews during the Second World War.

I also take this opportunity to tell the Jewish community how much we appreciate their tremendous contribution to Canadian and Quebec society at every level, whether economic, political, cultural or social.

I hope that the international community will work relentlessly to ensure that no horrible crimes of the sort are ever committed again.

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I am pleased to take part in this debate today. I want to commence my remarks by complimenting my colleague, the hon. member for Don Valley North. His ideas and contributions since he became a member of Parliament, particularly in the area of international human rights, are truly appreciated.

All of the speakers this morning have talked of the horror of genocide. We all know that there is common international condemnation for violations of humanitarian law. Of these violations, genocide is the gravest of all crimes recognized at international law. Indeed, in light of the evidence of the acts of genocide committed by the Nazis in World War II, the Convention on the Prevention and Punishment of the Crime of Genocide was signed by Canada on November 2, 1948 and has been in force since December 2, 1950. Over 100 members of the United Nations are parties to the convention, which creates a binding, legal obligation for contracting parties to punish persons responsible for genocide.

In the convention, genocide is defined as any of the following acts committed with intent to destroy in whole or in part a national, ethnic, racial or religious group as such: killing members of the group; causing serious bodily or mental harm to members of the group; deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part; imposing measures intended to prevent births within the group; and forcibly transferring children of the group to another group.

Canada has long been a leader internationally in the defence of human rights and promotion of humanitarian law. As a signatory to the genocide convention, Canada has undertaken to punish persons for genocidal acts committed in time of peace and in time of war.

Genocide is the worst of crimes. It commonly takes the form of murders, disappearances, torture, arbitrary imprisonment and exile, and often it is committed by governments or rebel groups against its opponents or ethnic and religious minorities. Recent events in the world have demonstrated that genocidal acts are still commonplace.

Most recently, compliance with the obligation to punish persons responsible for genocide has been facilitated by the creation of the International Criminal Tribunal for the former Yugoslavia, established by the UN Security Council. The international tribunal, though not established in the context of the genocide convention, is an international penal tribunal as contemplated by article VI of the convention. Article IV of the tribunal statute gives its jurisdiction over the crime of genocide committed in the former Yugoslavia.

We are strongly committed to the international tribunal and to ensuring that all those responsible for the atrocities of genocide are brought to justice. We were one of the first countries to call for an international war crimes tribunal and a Canadian is one of the 11 judges elected by the UN last fall. A former member of the National Defence Judge Advocate General's Office is working as the international law adviser to the prosecutor's office, and Canada has contributed over $500,000 to the UN Commission of Experts and to the tribunal. In order to assist the tribunal in its investigations, Canada is in the process of attempting to locate victims and witnesses of war crimes who have resettled in this country.

The United Nations Security Council is also considering establishing a tribunal for Rwanda along the lines of the international tribunal for the former Yugoslavia. This tribunal would be responsible for investigating and prosecuting those persons responsible for the genocide and other atrocities that occurred in Rwanda earlier this year. Again, we support the establishment of this tribunal, which, for the reasons of consistency and administrative convenience, would have links to the Yugoslav tribunal.

• (1155)

In the same spirit, Canada is committed to the creation of a permanent international criminal court that would have jurisdiction for the most serious crimes, including genocide.

The report on the draft statute for the court, submitted by the International Law Commission after receiving comments from many states, including Canada, is being debated at the United Nations sixth committee this fall. In its intervention at the debate, Canada called for the holding of a diplomatic conference next year to establish a treaty, which would create a permanent court with a series of preparatory committees leading up to the conference. Canada intends to fully participate in the conference and provide support for the court once it is established.

At the domestic level we have responded to international obligations by amending domestic laws to give Canadian courts the jurisdiction to try persons charged with committing genocidal acts. Genocidal acts can be prosecuted in Canada using the provisions of the Criminal Code. The definition of war crimes and crimes against humanity in the code make punishable in Canada many of the acts defined as constituting genocide in the Convention on the Prevention and Punishment of the Crime of Genocide. Whether the genocidal acts could be prosecuted as war crimes or crimes against humanity depends on the circumstances of each case.

The Criminal Code can apply to acts committed in the past as long as at the time and place of commission they were considered as international crimes. The criminal courts of Canada have jurisdiction if the accused is found in Canada and where international law would recognize universal jurisdiction by any state over the offence.

The Department of Justice crimes against humanity and war crimes section has the mandate with the RCMP to investigate and prosecute cases of genocide committed and prosecutable in such circumstances.

Therefore, Canada will not be a haven for the architects of genocide and will use all the legal remedies available to it to ensure that those who come to Canada are brought to justice. Not only does the Criminal Code provide for the prosecution of genocidal acts, but it also creates an indictable offence of advocating or promoting genocide, genocide being defined as killing members of any identifiable group or deliberately inflicting on it conditions of life calculated to bring about its physical destruction with intent to destroy in whole or in part that group.

I strongly believe that people of the world should be permitted to live in peace and security, free to speak their language, practise their customs and associate with one another. Those responsible for enormous crimes against groups deserve to be prosecuted and, if convicted, punished to the full extent of the law. In Canada, I am proud to say that we have both the legal framework and the moral and political conviction to do so.

My colleague for Don Valley North wants to designate a week for commemorating genocide. I believe genocide is so horrible that the memory of past genocides will always be with us. We should always be aware of genocides currently being committed and we should always be on the lookout for acts that could lead to more of this horrible crime. The commemoration of past genocides must not distract us from new ones.

For this reason, while I share the member's indignation at the most horrible crime against humankind, I must say that I would be concerned if we were to designate a particular period of time for commemorating genocide. Genocide should be a preoccupation in our daily lives. No particular week should be needed to remind us about the human tragedy of genocide.

In conclusion, I am proud that Canada does have the legal means necessary to deal with this crime both internationally and domestically. While I support the spirit of the hon. member's motion, I must in this case be against it.

The Deputy Speaker: There are still approximately three minutes left in the debate. Does anyone else wish to rise to speak on the matter?

Some hon. members: No.

The Deputy Speaker: The hon. member for Don Valley North will close the debate.

Mr. Assadourian: Mr. Speaker, I want to take a few minutes to thank those who supported my motion. I really feel that this motion was an important one for Canadians and for the people who suffered from crimes against humanity.

However, I especially want to express my sincere appreciation to members of the governing Liberal Party who supported it, the members of the opposition and also members of the Reform Party. He who runs away may live to fight another day.

The Deputy Speaker: Shall we call it twelve noon?

Some hon. members: Agreed.

[*Translation*]

The Deputy Speaker: The time provided for consideration of Private Members' Business has now expired.

[*English*]

Pursuant to Standing Order 96(1), the order is dropped from the Order Paper.

GOVERNMENT ORDERS

[*Translation*]

BUDGET IMPLEMENTATION ACT, 1995

The House resumed from March 31, consideration of the motion that Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, be read the second time and referred to a committee; and of the amendment.

Mr. Jean–Guy Chrétien (Frontenac, BQ): Mr. Speaker, first I want to say that I agree with my two colleagues, the hon. member for Ahuntsic and the hon. member for Bourassa. Indeed, we all know Armenians who directly or indirectly experienced the hardship suffered by that nation.

Let us now turn our attention to Bill C–76, which was carefully reviewed by our critic, the hon. member for Saint–Hyacinthe—Bagot, who knows a great deal about public finances, particularly at the federal level. Bill C–76 seeks to implement certain provisions of the budget tabled by the Minister of Finance. I want to discuss the impact of that budget on the agricultural industry, which is one of the most seriously affected.

The proposed cuts are far from having an equal impact on the various regions of the country. The Liberal government has abdicated its responsibility toward the agricultural sector. It is abandoning one of the most dynamic industries in Canada and in Quebec. The agri–food sector accounts for close to 10 per cent of our GDP, 15 per cent of the total employment, and almost 25 per cent of the surplus of goods. Between 1987–88 and 1994–95, the Department of Agriculture and Agri–Food's estimates was reduced by a whopping 33 per cent, and that includes the subsidies provided under the WGTA. We are talking about a 33 per cent reduction in financial resources; this is one third of the total budget over a five–year period.

If you look a little farther down the road, it is estimated that, by 1997–98, the agriculture and agri–food budget will have diminished by 58 per cent. This is ridiculous. This morning, I was looking at a publication called *Farm and Country*, which is sent to Ontario farmers. The cartoon on the front page showed a beautiful Holstein cow with a farmer sitting on his little stool and trying to milk the cow. But nothing was coming out.

If this government continues to slash in that sector, this could well be the fate of Canada's agriculture and agri–food industry.

• (1205)

As a percentage of total government spending, amounts allocated for agriculture have dropped dramatically. In 1987–88, the total budget for agricultural and agri–food, as a percentage of the budget for all government envelopes, was 3.5 per cent under the Conservative government. In 1994–95, the fiscal year that ended yesterday, it was 1.6 per cent. In 1997–98, it is expected to be only 1.2 per cent.

This government seems to have cut itself off completely from the agricultural sector. We have said so before and we will say it again: it is outrageous to treat the agricultural industry this way.

If we look at the kind of cuts that will be made, it is clear the government does not have its priorities straight. Furthermore, it is not prepared to deal with the problems and consider the long term impact. Bill C–76 repeals the Western Grain Transportation Act, the WGTA. The legislation will be replaced by a series of measures that will continue to regulate grain transportation, despite elimination of the Crow Rate.

Included in this budget is compensation for western producers who are affected by this cut. The government intends to offer $1.6 billion to owners of farm land, to partially offset the drop in land values that will result.

Interestingly, even if a producer did not grow wheat during the past year, he will be entitled to compensation. I see the hon. member for Brome—Missisquoi across the way. I am anxious to see whether he will react to this injustice, in a country where we now have two classes of farmers: those who are compensated to the tune of $1.6 billion, not taxable, while dairy producers in his own riding will suffer cuts averaging $4,485 and get absolutely nothing.

Yesterday, he was in Cowansville, the riding of Brome—Missisquoi, to sing the praises of his government's policies. I assume he did not say a word about the unfair treatment of our Quebec farmers as opposed to western farmers.

Mr. Marchand: For shame.

Mr. Chrétien (Frontenac): Yes, for shame, Mr. Speaker.

During his election campaign, he said he would speak out, loud and clear, for Quebec and for the riding of Brome—Missisquoi. However, he has kept a very low profile, not bothering to speak out even once to defend the interests of the farmers in the riding of Brome—Missisquoi, a riding that has so many outstanding farms.

As I said before, not a penny of tax will be collected on those $1.6 billion. And in addition to the $1.6 billion, there is another $300 million, but the government does not even know how it will spend it. Nevertheless, an additional $300 million has been provided, to be included in the budget over the next five years.

• (1210)

Every time we see an example of inequity or injustice, we intend to rise in this House and vigorously condemn the government. And I urge my colleagues from Quebec to avoid a recurrence of what happened last week, when Quebec's entitlement to its fair share of seats in Parliament was attacked and to rise in the House and say no, we will not go below 25 per cent. The hon. member for Brome—Missisquoi rose in the House and

was applauded by his anglophone colleagues when he joined in the attack on his own Quebec.

[*English*]

Ms. Mary Clancy (Parliamentary Secretary to Minister of Citizenship and Immigration, Lib.): Mr. Speaker, I am pleased to take part in the debate today. As I commence my remarks, may I add a special word of congratulations to one of our newest colleagues, the hon. member for Brome—Missisquoi. We are particularly delighted to have him here in the House of Commons to speak so clearly for the people of his riding and for les gens du Québec.

The Liberal government has introduced a budget that reflects what Canadians want. We are aware of the current economic realities and we have made choices. They were tough choices. However, the choices not only get government right, they get the economy right.

We stated our promises in the red book and we have acted on them. The economy is growing. New full time jobs are being created and we continue to move forward without compromising our integrity or our history. We simply will not tear apart the social fabric that keeps us together. That being said, it does not mean that the social fabric does not have to fit a bit tighter and a bit smaller than it used to.

Canadians have said they want less government, fewer personal taxes and more fiscal responsibility. This is a check–list. It is a list that we not only read but implemented in our budget.

The budget takes fundamental action across government programs and operations. It implements a comprehensive examination of departmental spending. Our focus will be on what is essential. What government does best it will continue to do. What government does not do best it will see that there is a way in which the private sector can take over. We will continue to utilize our resources in the most effective and efficient manner.

We are not living in the surplus 1960s. For some of us who had our political beliefs and, to some degree, our characters formed in those surplus 1960s, it has been a difficult adjustment, but it is one we have made. We must operate our programs with accountability and with conscience. We simply cannot afford to have overlap and redundancy within government programs.

However, spending cuts will be made with compassion. They will be made protecting the most vulnerable. Fairness will be the hallmark and it will ensure that all regions of Canada, all Canadians, everyone who lives in this, the greatest country on earth, will share the burden.

Canadians said they were over–burdened by taxes and could not afford another increase. The Liberal government listened. There has been no increase in personal income tax. We can understand the financial burden that Canadians are facing because each one of us in this House faces it as well, and we refuse to increase their load.

The budget incorporates some tough choices, but it does not forgo compassion, nor does it lack vision. The Canadian vision will continue to glow with strength, opportunity and prosperity.

Over the past year and a half we have seen the creation of 433,000 full time jobs. We have seen a decrease in the unemployment rate of 1.7 per cent. We have observed the strongest growth rate in six years, at 4.5 per cent.

• (1215)

This is only the beginning. It can be seen that the Liberal government has listened to Canadians. We have implemented a budget which reflects the economic realities of our time and also offers hope for a prosperous future. I will mention just some of the things this budget has done.

It has cut business subsidies by 60 per cent. It promised a smaller public service with 45,000 fewer positions. That is something of great concern in my own riding of Halifax which is the third largest public service town in Canada.

There have been major reforms of programs such as agriculture and transport. Programs have been merged, consolidated and commercialized. There is increased cost recovery. Again, this is an area about which I am very concerned, that is, in the department of immigration with the new right of landing fee of $975 per adult immigrant.

There is the new Canada social transfer to the provinces in 1996–97. Unemployment insurance reform will be in place by July 1, 1996. There is a course charted for public pension system reform to make it fairer and more sustainable in the long term.

Tax fairness as I mentioned before will be improved. There will be tighter rules for tax deferrals, foreign and family trusts and R and D incentives. New measures to ensure the collection of taxes owed is a measure the hon. Minister of National Revenue has already spoken about quite eloquently.

RRSP contribution limits will be reduced. Retiring allowance rollovers are phased out. Overcontribution allowances are cut. There will be higher taxes for corporations and large banks. There will be dramatic cuts in departmental budgets. Some will be halved in a three year period.

There are $7 in expenditure reductions for every $1 in new tax revenues. There will be a three year savings of $29 billion, $25.3 billion of these from these expenditure cuts.

It is quite clear the government has followed its promises both in the red book and in the speech from the throne. It is quite clear the Minister of Finance listened, as did his cabinet colleagues. They listened to Canadians and they acted upon the consultations.

It is quite clear the Prime Minister and the Government of Canada stand together in supporting a smaller and more efficient government but also a government that will remain fair, true to its roots and true to its history.

I am delighted that I can stand and say without reservation that I think the majority of Canadians support Bill C–73, an act to provide borrowing authority for the fiscal year beginning April 1, 1995. They know their government is working for Canadians and will continue to do so.

These times are not easy. They are not easy for civil servants. They are not easy for workers across this country. They are not easy even perhaps for members of Parliament. But Canada is a country with a huge and tremendous and glowing future provided that we have good stewardship. It is my belief that this government, this Prime Minister, this Minister of Finance and this cabinet provide this kind of stewardship.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, today I will deal with three aspects of the 1995 Liberal budget and Bill C–76, an act to implement certain provisions of the budget.

First, I will outline the cuts in agriculture spending and make some general comments on the cuts. Second, I will ask some questions on behalf of Canadian farmers about what will follow the WGTA. These questions and many others have been asked over the months since this budget was tabled in the House. Third, I will discuss how the shortcomings in the overall budget might affect farmers and the agri–food industry.

First, how do the cuts in agriculture spending compare to the cuts in other sectors of federal government spending? How do the cuts on payments to farmers compare to cuts in operating costs of the department itself?

• (1220)

Farmers have obviously been asked to shoulder an unfair portion of the spending cuts in this budget. I am not saying the cuts should have been the same percentage in all areas of government spending, but by any measure, agriculture was hit disproportionately hard. Had cuts been made in other sectors in a fair way, this would have produced a balanced budget and all the positives that go along with a balanced budget. To illustrate this point, I will give a brief summary of the cuts in agriculture spending.

In the agriculture department overall spending was cut by about 20 per cent. Total funds available for 1994–95 are $2.1 billion. There was a $445 million cut in spending in this budget to the agriculture department. These cuts came in safety net funding, subsidies to dairy farmers, research, and user pay fees for inspections and those types of things. As well, there were some cuts in the department itself.

There are also cuts in agriculture from the transport department. The Crow rate, $560 million a year, was the largest single cut to farmers and is effective July 31, 1995. The Atlantic Feed Freight Assistance Act and the Maritime Freight Rates Act will be eliminated by July 31, 1995. The cost for this subsidy was $99 million a year.

To summarize, the total cuts in agriculture spending from the transport department are approximately $660 million a year by the end of the third year. Total cuts to agriculture spending from the agriculture department itself are $445 million per year. Total cuts to agriculture spending in this year's budget are approximately $1.1 billion. By any measure, this is disproportionately weighted toward agriculture.

When the cuts in agriculture spending from transport and the agriculture department are combined, the reduced spending to farmers is 40 per cent in this budget. There is almost 50 per cent in cuts in payments when payments to the railways and direct payments to farmers are included.

How do the cuts to farmers outlined in this budget compare to the cuts in the operations of the agriculture department? The cuts in the agriculture department were 20 per cent compared to almost 50 per cent in cuts in the direct payments to farmers and the railways on the farmers' behalf. There is no balance when comparing those cuts.

I am not saying these cuts should not have been made. Rather, there should have been more balance across all sectors of government spending when compared to spending on the operations of the department itself. Later I will talk about the negative effects of the government not going far enough in this budget.

Farmers also needed a transition time to adjust to these cuts. For example, Reform proposed a trade distortion adjustment program nearly five years ago. This would have provided a gradual phase out of the WGTA benefit, putting the payment immediately to farmers so they could provide for the loss in the WGTA payment as was needed. It would have also provided for a fund to compensate farmers against unfair trade practices in other countries.

This transition time was desperately needed by farmers so farmers would have time to make the necessary changes in order to recoup the losses suffered as a result of this budget. Not only is there no transition time, but there are not enough substantial changes to allow farmers and agribusiness to become more efficient.

Some changes were made but they did not go far enough. For example, in branch line abandonment, the reductions that will be allowed are limited and uncertain. In car allocation, the method used will be based on historic allocation. That does not provide well for the changes which are needed to make this system more efficient. The Canadian Wheat Board will still be a government controlled body instead of a farmer controlled body which is what it should be and what farmers want it to be.

• (1225)

Payouts will be made to farmers under this budget. First, in regard to the WGTA there will be a $1.6 billion compensation package. The stated intent is to compensate farmers for a loss in land value which will result from the loss of this $560 million a year subsidy. When we examine this it allows for about a one and a half to a two year transition time for grain farmers. It is too short a transition time. There would also be a $300 million transition fund but we do not know where it will be spent and how it will be used. There is too much uncertainty.

In feed freight assistance the payment is eliminated entirely but there will be a $326 million transportation adjustment program. Again, it will be paid out over five years. The detail beyond that does not exist. The uncertainty is unacceptable.

Governments have talked a lot about trying to help stabilize the agriculture industry. It seems to me that they have caused a lot of uncertainty and instability. That is certainly the case with this budget. More questions have been left unanswered than have been answered.

I want to ask some of the questions which have been asked of me by western Canadian farmers over the past month. They concern the loss of the Crow benefit payment and how the payment will be made. Other questions concern the compensation and transition packages.

The stated purpose of the $1.6 billion WGTA payout is to compensate farmers for a loss in land value resulting from a loss of this benefit. If this is the intent, then why would the payment not be made on all farmland? If grain land loses its value, then would not other land lose its value as well?

Why did the minister call on owners and lenders to pass the payment on to renters and lessees? This seems inconsistent with the government's stated intent which was to compensate for the reduced land value. If the real intent on the other hand is to provide transition funding to grain farmers, then why is this not acknowledged and why is the payment not structured accordingly?

There is a second area of questions I will ask on behalf of farmers. Does the minister have any advice for renters or those leasing land and who are part way through a lease or rental agreement right now? These farmers will be caught paying up to $35 an acre more in freight costs for crops they will be seeding over the next two months. Because of crop rotations and herbicide planning, it will be difficult to make the appropriate adjustments in crop seeding to help reduce the added costs by changing to higher value, lower volume crops or indeed moving more into livestock and growing feed or providing pasture for livestock.

Does the minister feel it is reasonable to make a policy change which will have the magnitude of impact with virtually no transition time and no transition funding? That is the case for lessees and land renters. I am sure there are thousands of farmers renting land, and many in the minister's own riding I would suggest, who are looking for advice on how to deal with this unanticipated extra cost. I doubt very much they will be looking to the minister for this advice.

The third area of questions farmers have asked over the past month since the budget and indeed before it also has to do with the WGTA and the loss of that benefit. I have several questions to ask on behalf of western grain farmers regarding how the payment will be calculated and when the payment or payments will be made.

The budget implementation bill does state that payment will be based on 1994 acres seeded to grains and an adjustment will reflect historic productivity. This leaves many questions unanswered.

• (1230)

For example, how will historic productivity be determined? If the payment is based on 1994 grain acres, those who have been moving acres from forage to grain land in a rotation may be completely missed in terms of a payout. People who read the market signals and who made the appropriate moves could be completely missed by this payment through no fault of their own. The last question is when will farmers receive their payment or payments?

Another area is what measures will be taken to allow the system to become more efficient and to give farmers more flexibility in marketing. I have seen very little evidence this exists.

The Liberal government by not going far enough in the budget will make life for Canadian farmers very difficult. Cuts in agriculture are not matched in any way by cuts in other areas of federal spending. As well, changes which would allow farmers to make up for some of the losses in payments from government, or which would allow farmers to cut costs, are inadequate. Changes that would allow farmers more direct access to markets are non–existent.

The inadequacies in the budget will make the next few years very difficult for farmers. However, there is another overriding factor which if not dealt with quickly will make the future most difficult for farmers, other business people and all Canadians. This overriding factor is the continual increase in interest payments on the debt. Interest payments on the debt have increased from $39 billion a year, when the government took office, to $51 billion with the finance minister's own figures, an unacceptable increase in levels.

What this will mean to farmers is more cutbacks next year and beyond, higher than necessary interest rates, little hope of reducing input costs to help compensate for increased freight costs, losses in government payments and more uncertainty regarding the future of social programs. Farmers will face these extra costs and difficulties because the budget does not set a definite date for eliminating the deficit.

I have provided a summary of the cuts in agriculture. I have asked some of the yet unanswered questions regarding the WGTA payout. I have outlined the major, overriding factor, interest payments on the debt, which threatens farmers in so many ways.

Farmers need some answers in order to provide certainty in their lives. I am asking the government to give some answers which will allow certainty to replace the instability and uncertainty farmers will feel and have felt as a result of the budget.

[*Translation*]

Mr. Ronald J. Duhamel (Parliamentary Secretary to President of the Treasury Board, Lib.): Mr. Speaker, this budget was tough, but fair.

[*English*]

Most commentators have indicated that is what the last budget was all about, tough but fair. That is quite a feat when one looks at the country, the extent of the various groups represented. Provinces and the territories believe it has been fair to them overall. The regions are reacting positively in the sense that no region seems to have suffered more than others. Men and women are feeling as if neither one of the two groups has been disadvantaged over the other. There is some sensitivity to those who are both younger and older. There is as well a response in terms of reductions to Canadians at various levels of remuneration.

I am proud that the Liberal Party has never claimed perfection. It wanted a good budget, if possible a very good budget. That is exactly what was accomplished.

● (1235)

To be fair, opposition parties have done what they do best, criticize the budget. That is their role and I respect that role as I believe we all do. However, it would have been quite novel if they had not only criticized but made specific suggestions as to how it could have been improved. There is one exception, which I will speak to in some detail, where the Reform Party put forward a budget. I will share with my colleagues and with Canadians what kind of response it was.

One of the unfortunate realities about budgets and reductions is one cannot reduce or change without affecting people, unfortunately sometimes negatively. We have in the budget attempted to minimize the discomfort, the hurt and the negative impact. I will give a couple of examples with respect to the civil service. There are going to be massive reductions as a result of an analysis of those things the government feels it ought to continue to do to remove the duplication. There will be programs eliminated, some reduced, and some jobs will be lost.

However, if one looks at the early retirement incentive, the early departure incentive, and the other initiatives undertaken by government to attempt to cushion the departures of those particular civil servants, one gets a good sense of how concerned we are to be fair and responsible.

In spite of any number of programs, it is quite clear it does not remove the hurt or the disappointment. That is unfortunate but it is reality. To think one can come forward with a budget that somehow would undertake some significant changes and yet not have any impact whatsoever less than positive would be dreaming in technicolour.

In a recent poll 73 per cent of Reform Party supporters thought the Liberal budget was a move in the right direction. This is really astonishing.

[*Translation*]

Can you imagine, Mr. Speaker, that 73 per cent of supporters of the Reform Party, which had wanted to go much, much farther than the government, nevertheless felt that the budget was a move in the right direction?

[*English*]

The budget is a result in large part of an analysis of the programs government was involved in and decisions made to either remove those programs or reduce them substantially because we recognize there was significant duplication.

[*Translation*]

My colleagues in the Bloc Quebecois make frequent reference to overlap and duplication. This budget represents an extraordinary effort to eliminate much of it.

[*English*]

Hundreds of appointments have been reduced as a result of this. We have talked about the reduction to the civil service which is important and extremely difficult. There have been many other reductions and cuts.

Rather than applaud the budget—as a member of the government I would be expected to be supportive—I want to share some of the things said by third parties, people who are not part of the government.

Jayson Myers of the Canadian Manufacturers' Association said he was impressed and applauds the minister for what he has done. Ghislain Dufour, Conseil du patronat, said it is a good budget. Peter Wolford, Retail Council of Canada, said it is a good budget on several fronts. Sherry Cooper, economist with Burns Fry, said it is a terrific budget, there is no smoke and mirrors.

Stephen Von Houten, Canadian Manufacturers' Association, said it is really the first serious attempt at deficit reduction we have seen in this country in a long time. "He has more than met, if not exceeded, the market's expectations", said another observer, a person not part of the government.

[*Translation*]

I could go on quoting. I will, however, add only two or three more so that the people listening will get an idea of the breadth of the budget's acceptance.

• (1240)

For example, "Serious action was necessary and, remarkably, the government took it. After years of tinkering, making minor adjustments, and across–the–board cuts, the federal government finally had the political courage to tackle the problem in a direct way", Peter Boswell, columnist and political science professor at Memorial University.

"In attacking the deficit by reducing spending, one must take care to take aim only at waste and not at productive government expenditures. Well–targeted cuts, like those in the budget, will not put a brake on growth", editorial comment, *La Presse*.

I conclude with this quote: "While the opposition parties twist and turn in the wind, Mr. Chrétien quietly and effectively stays the course—the most popular prime minister in many a year, at a time when public mistrust of politicians is epidemic".

So many people have expressed their support for the budget. So many people have said that, for the first time, the budget was heading in the right direction. As I said earlier, this is not a perfect budget. There is no perfection in this world. This is, however, a budget that is moving in the right direction and one that has been accepted by the vast majority of Canadians in the provinces, the territories and the regions.

[*English*]

This is the first time since there have been these kinds of statistics that there are more people in favour of the budget, who see it as a positive measure, than there are against. That is quite an accomplishment.

Subsequent to the budget the Liberals increased their popularity with Canadians to 60 per cent from 55 per cent, while all other political parties decreased in popularity, with the exception of one which increased by 1 per cent.

The Reform Party put out a budget. If one looks at media quotations on that budget, they show quite a contrast. I will not have time to read them all, which disappoints me because some of them are very good.

Shane McCune of the Vancouver *Province* wrote on February 22, 1995: "A 57–page document from the Grumpy and Dopey school of finance—comic in its stupidity and tragic in its meanness". "The proposals are very simplistic and little more than playing with arithmetic," said John Bulloch, president of the Canadian Federation of Independent Business. He criticized Reform's detailed plans, particularly its proposal to cut $3.4 billion from UI.

Professor John Loxley said: "The Reform Party's economic analysis is horrendous and completely ignores basic principles of budgeting". An editorial in the Vancouver *Province* reads: "It's also vague on details and big on assumptions where it suits Reform. Unfortunately that's the whole problem with the document. It suits Reform, but how about Canada?"

"It would be nice if we could cite just one way in which Reform is helping the country or itself by producing such an incomplete and controversial alternate budget at this time. Alas, we draw blanks", wrote Stewart MacLeod of the *Guardian*. An editorial in the Vancouver *Sun* reads: "Reform's vision represents return to the law of the jungle where it's everyone for himself or herself and the devil take the hindmost".

The Montreal *Gazette*: "In his zeal to drive a stake through the deficit's heart, leader Preston Manning just may take the country with it. He's taking the easy way out, the lion's share of the cuts as aimed at those who can't fight back". A further quote reads: "Empowerment seems to be a word for whatever a Reform government wants to impose on a group of citizens. Seniors, for example, are to be empowered by reducing pensions".

[*Translation*]

Mr. Speaker, I conclude my remarks by further stressing that, while the budget is clearly not perfect, it is moving in the right direction.

[*English*]

We are already starting to build next year's budget and I invite all of my colleagues to pitch in and make it an even better budget.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, if the budget is really heading in the right direction as my colleague

across the way claims, ordinary people have every reason to be very worried, because in reality this budget is two–faced. And when I use this expression, I mean it in the usual sense.

This budget says two different things, depending on the people or groups involved: Quebecers or the rest of Canada.

• (1245)

The government said that the budget promotes flexibility and would satisfy Quebec's desire for decentralization.

However, in some cases, why were the people who had believed the promises of flexibility and decentralization so surprised by Bill C–76, which was supposed to make it possible to implement the promises made in the budget? I will read to you clause 48, which amends what is referred to in my version, the first version of the bill, as the *Canada* Health and Social Transfer. I will allow myself to dwell on this *Canada* transfer for a long time.

So, clause 48 says the following:

> 13. (1) Subject to this Part, a Canada Health and Social Transfer may be provided to a province for a fiscal year for the purposes of (a) establishing interim arrangements to finance social programs in a manner that will increase provincial flexibility;

This pertains mostly to Quebec.

> (b) maintaining the national criteria and conditions in the Canada Health Act—

At this point, the five conditions contained in the Canada Health Act are listed. But, surprisingly, they added extra–billing and user charges, which are mentioned almost as principles.

Then, they add the following, which is the most important and the most surprising to those who were naive enough to believe the ministers who promised that this was going to be a flexible budget:

> —maintaining national standards, where appropriate, in the operation of other social programs.

This sentence can be taken in no other way than as an announcement of the federal government's intention not to give greater flexibility or more room to manoeuvre to the provinces regarding the organization of their social programs. The only way to read this sentence is that the federal government intends to become more involved in the development of national standards.

Therefore, on the one hand, they talk about flexibility, but, on the other, we see the truth. The truth is that this is the beginning of a push to centralize more. But, of course, a subclause does stipulate that the Minister of Human Resources Development must meet with his provincial counterparts to seek and secure mutual consent. Nowhere does this subclause state that mutual consent will become par for the course, and what is more, there is nothing guaranteeing, on the contrary, that if no agreement is reached—and the agreement is contingent on the central government in the first place—the government will not impose its own vision for social programs.

This is very serious because, contrary to what the party opposite would have us believe, the budget is not balanced. It contains some less–than–straightforward cuts. Where it hits hard, where they say it will hit hard is among ordinary people. It does this in two ways, by the savings that the federal government will make until 1997–98.

• (1250)

As for the cuts to the central government's cash payments to the provinces, which are calculated according to formulas I will not get into but which are supposed to take each province's respective wealth into consideration, they should save the central government $12.3 billion over three years.

Although lower figures of $2.5 billion and $4.5 billion have been quoted, all transfers should be taken into account. These transfers would have taken place but the cuts, the provinces' shortfall and the central government's savings are all new. The new policy calls for slashing social programs like health care, education and social assistance in order to save $12.3 billion over three years by asking the provinces to decide where to cut.

The central government claims that it is flexible. Nothing could be further from the truth. Nothing better illustrates the meaning of the expression "two–faced". In fact, the central government imposes standards for social assistance. It is removing a number of them but still leaving some. It is toughening health standards and reserves the right to impose additional standards, while forcing savage cuts on the provinces and the most disadvantaged, who are more likely to need these services.

This is a two–faced budget because it does not seem to tackle anything this year whereas next year and especially the year after, there will be, there will have to be drastic cuts to health care, education and social assistance. In two of these three areas, the government is reserving the right to cut transfers if it feels that the provinces are not abiding by national standards. Far from improving access, far from decentralizing, the government is centralizing powers.

What is worse is that, on the one hand, the government is forcing the provinces to cut while, on the other hand, it is using unemployment insurance as a cash cow in order to cushion itself against the next recession, while the provinces will have to bear the brunt of welfare cost increases that will continue to occur as they did during the recent recessions. The government is cushioning itself by transferring more and more costs to the provinces, thus bleeding them dry and putting itself in a position to make them a generous offer to intervene directly in areas of provincial jurisdiction. It is already making such announce-

ments with respect to the long–term unemployed and child poverty.

Who can be against helping the long–term unemployed and poor children? You understand what is happening. Yes, it is a reform of federalism, which had been supporting provincial programs since 1960. They are reducing funds to the provinces, starving them. Instead, with the cushion provided by UI premiums, they will offer the services directly from Ottawa.

The Minister of Human Resources Development and the Prime Minister had both promised us that reforms would be carried out. Reforms are indeed under way but they are unconstitutional, they are grave and they will become even radical in the years to come.

[*English*]

Mr. Paul Szabo (Mississauga South, Lib.): Mr. Speaker, it gives me pleasure to speak on Bill C–76, an act to implement certain provisions of the budget tabled on February 27, 1995, and specifically the Bloc amendment thereto.

The 1995 budget was one of the most important in the history of Canada. It was a budget of fundamental reform and national renewal.

• (1255)

On October 18, 1994 the Minister of Finance addressed the finance committee and indeed all Canadians. I would like to quote the finance minister. At that meeting he stated: "We came into government to help build a better Canada, a Canada of jobs and growth. That is our only goal and it is because of that that we must act decisively on the debt challenge today. We must not waste this recovery."

That commitment continues to be met by this budget and it is reflected in the confidence level of the financial markets, of the business community, and indeed of the Canadian people.

The budget incorporated numerous provisions for all sectors. The deficit targets have been met using prudent economic assumptions. The total savings from the budget actions of $29 billion over three years are the largest set of actions since the demobilization of the second world war. The deficit was planned to be cut to 3 per cent of GDP or about $24.3 billion in the 1996–97 year. If the private sector economic forecasts are right, the deficit will likely be lower.

New borrowing from financial markets is down to $13.7 billion in the 1996–97 year or 1.7 per cent of GDP, less than projected for the national government of any other G–7 country. Debt to GDP begins to decline in 1996–97 as the debt grows more slowly than the economy.

The deficit reduction was largely due to expenditure cuts. The budget delivers $25.3 billion of cumulative spending cuts over three years, with $16.9 billion from the top to bottom program review. Almost $7 in expenditure reductions were made for every $1 of new tax revenue over the next three years. As all Canadians know, there is no increase in personal income taxes.

Program spending will decline from $120 billion in 1993–94 to $107.9 billion in 1996–97. This is the lowest program spending in relation to the size of the economy since 1951.

There has also been a dramatic reduction in departmental budgets. Several have been halved over the three years. As all Canadians know, 45,000 public service positions were cut as part of the budget.

In addition, there were structural changes to ensure that we have continued savings. There is a fundamental change in the structure of program spending, which will keep the deficit on a downward track. Major cuts in business subsidies were made. They are down by 60 per cent from $3.8 billion in 1994–95 to $1.5 billion in the 1997–98 year. Many programs have been consolidated, merged or commercialized.

The new Canada social transfer to the provinces in 1996–97 has been created to provide more flexible, sustainable block funding. Unemployment insurance reform is intended to be in place by July 1, 1996. A course has been charted for the reform of our public pension system to make it fairer and more sustainable in the long term.

The burden of the restraint must be shared equitably among all Canadians. Impact of budget actions have been equitably distributed across Canada. For instance, the transfers to the provinces declined 4.4 per cent from 1994–95 to the 1996–97 year compared with a 7.3 per cent cut in other federal programs. It demonstrates that the provinces have been asked to contribute far less than the federal government.

The increased cost recovery in other fees, such as the $975 immigration fee per adult immigrant, also recognizes that social programs must seek to provide self–funding to the greatest extent possible. There have also been new measures to ensure the collection of taxes owed. Tax fairness has been improved with tighter rules for tax deferrals on foreign and family trusts, R and D incentives, and RRSPs. There are also higher taxes for corporations and large banks and, as we know, a small excise tax increase of 1.5 cents per litre to help reduce the deficit.

One of the specific provisions within the budget that is of particular interest to me is the provision that deals with the tax deferral of unincorporated businesses and self–employed businesses. Businesses that are self–employed or unincorporated have the opportunity under the tax act to choose a year end that suits their needs. It does not necessarily have to coincide with the calendar year. That was brought in initially to provide businesses with the opportunity to have the cash flow they would need in those start–up periods so they could continue to establish the business.

• (1300)

The tax deferral of those deferred months is a permanent deferral. Take for example a business that has a year end of January 31. It means that the income from the past 12 months ending January 31, 1995 would not be reported until his or her personal income tax return was filed in 1996, which would not be until April of that year at the latest. Theoretically businesses would have a permanent deferral of up to 11 months. The budget changed the law so that after 1994 all businesses will have to declare income on a calendar year basis.

We understand the treatment involves a catch up of the deferral of reporting that income. To provide the transition period available, the budget proposes that the recouping of those taxes will take place over 10 years, 5 per cent in year one, 10 per cent in years two to nine and the balance of 15 per cent in the 10th year.

In addition, the government has extended the filing date for the tax returns of these taxpayers until June 15, although the taxes otherwise owing have to still be paid by April 30.

Most parliamentarians have made very clear their views on the budget. The most important aspect of the budget reaction is how Canadians feel about it. I would like to very briefly read some of the figures from the latest Angus Reid poll on the budget. First, more than two–thirds or 69 per cent of Canadians surveyed said they believed that the federal government is on the right track with the overall approach they have taken in the budget.

A majority of respondents from all major socio–demographic segments of the population endorse the overall direction of the budget. A clear majority of Canadians in every region support it.

A majority of Canadians, some 57 per cent, say that the budget is better than most federal budgets in the past decade or so. Fifty–six per cent of Canadians also say that they are more confident in the federal government's ability to manage the economy as a result of the budget.

I could go on but I think it is clear to say at this point that Canadians are happy with the work we have done. The biggest debate that has been going on has to do with the size of the debt. There is no question the government is committed to eliminating the deficit and to start paying down our debt. At $550 billion, it represents a substantial expenditure to service that debt.

Canadians, I know, are aware that the government is committed not only to hitting a target of 3 per cent of GDP for the deficit by the end of the third year but to getting it as low as possible as quickly as possible, but in a fair and compassionate manner.

The renewal of Canada's fiscal health must include compassion. That is a very important issue. Canadians must be consulted on the kind of Canada we want. Those who rely continually on government must be weaned off their dependency for social handouts.

The government can no longer afford to subsidize the payrolls of businesses through UI. The system must be restructured to a bona fide system of insurance. Also the government can no longer afford to sustain the same level of social spending. Seventy–five per cent of the people on welfare are employable. We must pursue every opportunity to promote job creation and training for Canadians so they can have meaningful employment.

The Canadian people spoke up very clearly on how they felt about increased taxes and the minister responded in the budget. The job of restoring the fiscal and social well–being of Canada has begun. We have work to do on behalf of all Canadians. It must be done in a fair and compassionate manner.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, it is a pleasure to speak to Bill C–76 and the budget.

A saying that comes to mind is that great parties must be ready not only to take advantage of opportunities but to make them. In the case of the Liberal government, we have in dealing with the budget a party that is taking advantage of an opportunity where it can. The advantage it is taking is that for so long, taxpayers have been crying out for governments to balance their books. They knew full well that had to be done. This is not some kind of brilliant idea the Liberals have to balance the budget or to cut costs. It is actually something that has been forced on them.

• (1305)

How did they take advantage of the opportunities that have been presented to them? How did they make opportunity? For instance, I did not see some form of taxpayer protection act, as the Reform Party put forward. I did not see an indication in the budget for legislation that would guarantee balanced budgets. Those are what one makes out of a budget exercise. Those are the opportunities one makes. All they did was react to some extent to public opinion. That is unfortunate because they did not act far enough.

Some of the comments made here today were: "We did what is best. We reflect what Canadians want. We clearly have the majority of support from Canadians". I often wonder where those general sweeping statements come from because in my riding that is just not the case. By and large, the people I talk to—I try to talk to as many as I can—are basically saying the Liberals wimped out in the end.

They went for 3 per cent of gross domestic product. In three years they will overspend by approximately $25 billion a year. Over the life of this Parliament they will accumulate debt in the

amount of one hundred thousand million dollars or better. I hardly think that is anything about which to be standing up in the House claiming to have come up with some wonderful ideas.

Nowhere have I heard of the impact on the young people that are depending on us to balance the books. We keep getting this rhetoric: "Look what we have done. Look how tough we have been". That is not the case.

I work very closely with what we call an advisory group in my community. The 11 people in that group are geographically selected. I sit with them on Saturdays once a month. They provide input from their selective geographic area as well from people they deal with on a business basis. We went through the budget. Not surprisingly, it came out quite similar to many things being said about some things that should be cut.

I want to give the House an idea of what the people in the advisory group had been talking about. They said there should be selective cuts to old age security. Some of these people are seniors themselves. They suggested there should be selective cuts to unemployment insurance, no cuts to veterans' allowances and pensions. There should be selective cuts to universities and colleges, major cuts to CAP—the transfers for welfare payments—major cuts to health and reductions in transfers to have–not provinces.

This is not a group of Reformers but people trying to balance the budget as best they can. Recognizing that the social system has to stay in place, what better way than by balancing the budget first? After all, the larger the debt gets, the more interest payments we have to make and the less operating funds we have to pay toward programs. That makes so much common sense.

Every time we make a speech we should not have to repeat and repeat it. The government knows what it has to do. What it is trying to do is put enough rhetoric forward with the hope the Canadian people are going to buy what it is saying. Just wait until Moody's has a really good look at what is going on and our bond rating starts going downward. It will be asking about the taxpayers' budget the Reform Party put forward. It is only a matter of time.

• (1310)

When I talked to the advisory group in my community its members gave me some suggestions to bring to the House. I want to express them today. These are some of the comments from these folks. "It hurts less to cut with a sharp knife than a dull one". These comments are unsolicited. They are telling the government to get it over with. Balance the budget and get on with the economic and social life that we have planned for our young people and our seniors. We cannot keep going ahead with this umbrella of debt sitting over us in deficits and unbalanced budgets.

They also suggest that we should run government like a business and not a charity. Can anyone imagine talking to the Liberal government about running government like a business and not a charity? That is a strange kind of terminology in 1995, for the Liberals that is.

It was suggested that we run Canada like a household. They have to live within their means. They just cannot go to the bank and borrow and borrow past the ability to pay out of the incomes that are brought into that household. They do not understand how the government can say: "We are doing such a good job because in three years we are only going to overspend by $25 billion". They do not understand that.

To stand here today and say the budget reflects what Canadians want is hogwash. Because the government was elected as a majority government, Liberals should not misunderstand the fact that Canadians wanted to throw out the Conservatives, not necessarily elect the Liberals. Everything the government does here should not be construed by government members as being politically and morally right on behalf of the majority of Canadians. If the government makes that assumption, it will be joining the other party from Jurassic Park.

Canadians have been making more comments. "Continued deficits do not resolve the problem. There is $150 million going to countries heavily in debt. What is Canada?" They do not understand why that is being done. If we seriously look at all the cuts and reductions in expenditures, how come that is still there? They do not understand that if a budget is so tough and strong, why was an increase given to the department of Indian affairs? Why is there such a pot of dollars that nobody is sure where the money is going? All they are asking for is a little accountability. Rather than accounting for the money in that department's budget, more is added to it. One only has to look at the Auditor General's report to see that there is something desperately wrong in that department.

I remember the first several months we sat in the House the Minister of Indian Affairs and Northern Development said: "We are going to do away with the department". What happens in 1995? Money is added to it. Someone can stand in the House and say: "We are only reflecting what Canadians want". Go across the country and ask Canadians if they want more money put into the Department of Indian Affairs and Northern Development. You will get an answer.

Some other comments were made by these folks: "Let people look after themselves and not government". We only have to look as far as the regional development programs to see what they are talking about. It does not take much to see what is wrong with the Atlantic Canada Opportunities Agency. It has been giving grants, both by Liberals and Conservatives, to virtually everybody to buy votes.

We convinced the minister in charge of ACOA to drop the granting process within ACOA. What does he do? He said: "We are going to give loans and ask that they be paid back". Last year alone the government wrote off $50 million in loans. What is the difference between $50 million on loans that are written off and a grant?

• (1315)

Ms. Meredith: It looks better in the books.

Mr. Randy White (Fraser Valley West, Ref.): Yes. My colleague says it looks better in the books, and that is exactly what it is. That is a snow job just like a whole bunch of other things in this budget. However, it is going to come back to haunt you.

I have one minute, Mr. Speaker? It is funny how time flies when you are having fun.

Let me give some other suggestions. They say we have to look after our young people, keep them in mind, because there will be no assets left for them. They talk about 3 per cent of GDP. It is like shooting at the outside rings of a dart board. These are comments from average, everyday, law–abiding, good Canadian citizens. Yet we have the audacity to stand in this House and say this is what the majority of Canadians want.

Finally, there are two other comments they made. Lobby groups do not want cuts. Some social programs are the right of the privileged. We should look at that. Another comment is that potential is being squashed in the country.

If we cannot listen to each other in the House and we are going to listen to all this rhetoric, maybe all members should end up with an advisory group and take their advice. It seems a heck of a lot more sound than what I have been listening to here.

[*Translation*]

Mr. Benoît Serré (Timiskaming—French River, Lib.): Mr. Speaker, I am very happy to be able to take part in the debate on my government's budget. I will start, perhaps, by giving an overview and talking about the budget's objectives and highlights.

This budget does what is necessary to bring the deficit under control. These are the strongest fiscal measures adopted by the federal government in 50 years. This budget guarantees that we will bring the deficit down to 3 per cent of the gross national product by 1996–1997. It enables us to meet our deficit reduction objective, without increasing personal income taxes. For the second year in a row, the government has refused to lower the deficit on the backs of taxpayers.

The program review introduced in this budget redefines the role of government, with the result that the departments will concentrate their efforts on the priorities of Canadians.

[*English*]

After the broadest prebudget consultation process in this country, both the financial markets and Canadians alike have told us that they want first and foremost for us to cut the deficit and to put our financial house in order.

As the finance minister said himself: "Come hell or high water, we will meet our 3 per cent of deficit reduction by 1996–97". However, there are ways to do that. We could have used the Gingrich–Manning approach, the slash and burn approach, and cut everything by 15 per cent to 20 per cent. However, this is the wrong way. We have to do it in a fair manner, taking care of the poor, the handicapped and the senior citizens in our society. I do not think it is appropriate to cut 20 per cent of something that is good and keep 100 per cent of something that is bad.

The new philosophy of this party is that if the government does not have to do it, we will not do it; we will give it to private enterprise.

Most Canadians approve of this budget. There are very few people who complain about this budget. Of course, there are those who want to destroy this country; they will not approve something as good as this budget.

Unfortunately, the premier of Ontario, Bob Rae, along with his strategists, had to go back to the drawing board. He was counting on us to bring in a bad budget. He was counting on this to start his provincial campaign. I have news for Mr. Rae. He can call an election and campaign against the federal budget. He will meet Brian Mulroney and his party, because in Ontario we can take a lesson. I think the Ontario NDP government can take a lesson from what we have done here at the federal level in terms of deficit control.

• (1320)

This budget is necessary medicine for difficult economic times. It is the strongest fiscal action by any federal government in 50 years. It will result in a total savings of $29 billion over three years; $25.3 billion will be saved by expenditure cuts. The Minister of Finance is sending a strong message to international markets that Canada is serious about deficit reduction. Cuts to government departments account for half of the fiscal saving in this budget. Departmental spending will be cut by $3.9 billion in 1995–96, $5.9 billion in 1996–97, and $7.2 billion in 1997–98. For every dollar in increased revenue there will be $7 in expenditure reductions. That is what Canadians told us they wanted and that is what we did.

[*Translation*]

I would also like to speak about the impact of the budget in my northern Ontario riding.

[*English*]

There can be no mistake that this budget was tough on northern Ontario, as there were no incentives for natural resources and about 80 per cent of the economy of northern Ontario depends on natural resources. We knew this was to be a

tough budget, but we in northern Ontario were prepared to accept that. We know that we have to share the burden of taxes and deficit reduction.

Let us look, for instance, at the natural resources department. It suffered one of the largest cuts of all departments, close to 50 per cent. The new role of the department will be to focus on the sustainable development of natural resources, the revitalization of the natural resources sector, national and international leadership, knowledge of the land mass and natural resources, and health, safety and resource related environmental concerns. It will maintain a presence in areas of federal responsibility such as international trade and science and technology.

Due to the current financial situation, the government did not renew both the mineral development agreements, the so–called MDAs, and the forestry development agreements, the FRDAs, which were cancelled by the last Tory budget in 1993. We said in the red book that we would review those programs and we did. We would have liked to have kept those programs for northern Ontario and other parts of rural Canada, but we had to cancel them because of the fiscal reality in the country.

However, the government responded in other ways. It responded by taking action in eliminating unnecessary regulatory barriers to mineral development. This was a key priority identified by the mining industry.

The finance minister also told northern Ontario Liberal MPs that after the budget was presented he would be willing to look at alternative measures and incentives for the mining industry.

There is a campaign called "Keep Mining in Canada". It is a broad based organization of industries from across the country. That organization gave the budget an A–plus on the deficit reduction side. However, it would have liked to have seen tax based incentives for the mining industry. I have been pushing for that for the last year. I am a little disappointed they were not in the budget; however, I understand that the main thrust of the budget was deficit reduction. I also understand that the finance minister could not on the one hand, cut one sector, like agriculture, and on the other hand, give more incentives to another sector.

On the agricultural side, there are quite a few dairy producers in my riding. Only a few years ago Canadian farmers were caught in an international trade war that drove down crop prices and farmers' incomes. With many disputes settled, agricultural producers now receive more than a third of their income from the market. Our government will introduce a national whole farm stabilization program, along with crop insurance, instead of basing programs on individual agricultural commodities.

In 1997–98 $600 million a year from the federal government, in addition to $400 million a year from the provinces, will go into this program. This is after a reduction of 30 per cent, with a total savings of $250 million.

• (1325)

The greatest impact on farmers in Timiskaming—French River is the reduction of the dairy subsidy, which is 30 per cent over a two–year period. It is believed that this reduction may be made up in part by the cost of producing a pricing formula that ensures a fair payment to producers.

The elimination of the western grain transportation subsidies will save the government about $5 million annually. This will open the western economy to diversification and innovation and meet GATT requirements.

Since I only have two minutes, Mr. Speaker, I will address the regional development programs. There was a reduction of over $560 million by Industry Canada to ACOA, FORD–Q and western diversification. That is a reduction of about 49 per cent across the board. Fortunately for northern Ontario we have a program called FEDNOR. We were getting approximately a 1 per cent share per capita compared to other programs in Canada. True, with strong lobbying by northern Ontario MPs this program was not reduced but increased by $18 million. For that I have to thank the finance minister, who finally recognized that northern Ontario was not getting its fair share of regional development moneys.

It demonstrates that the Minister of Industry has listened to the concerns of the northern Ontario caucus and has recognized that northern Ontario was not getting its fair share of regional development funding and has acted decisively to correct this inequity.

Increases to FEDNOR will total $63.7 million over the next three years. The breakdown in funding is as follows: in 1995–96, $6.2 million to $23.3 million; for 1996–97 it will be up to $20.4 million; and in 1997–98 it will be up to $20 million again.

In closing I approve of my government's initiative to make this regional development money available on a repayable loan basis. I can say that the business people who are going to profit from these programs in my riding are also in agreement.

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, I am pleased to participate in this debate on the budget before us on behalf of my party. There are many ways of looking at a budget. One can theorize and get into a macroeconomic analysis of the budget.

Personally, since the closure of the military college in Saint–Jean was announced in last year's budget, I tend to look for direct impacts on my riding. First, I look at the budget as a whole and what impact it will have on Quebec, and then I look at its

real and potential impact on my riding. Today, my remarks will focus on agricultural considerations affecting my riding.

While Saint–Jean is a semi–rural riding situated very close to Montreal, it has many farms and dairy farms in particular. From what I can see, these farmers will be hard hit by this budget which has been before us for some time now. I will try to show you how it will affect the farmers in my riding.

Overall, the budget for agriculture will be reduced from $2.1 billion to $1.7 billion, a 19 per cent cut, and 18 per cent of this cut is in personnel, which means the salaries often already allocated to researchers, because there are several agricultural research stations, including one in Saint–Jean, that I will talk about later. If we look at the budget as a whole, I think it is important to know just what percentage is involved. Overall, there is a 19 per cent cut to the Department of Agriculture, 18 per cent in personnel.

Now, let us look at the impact of this budget on Quebec. In this area as in every federal area of activity, Quebec foots about 24 per cent of the bill, while farming in Quebec accounts for about 17 per cent of all farming in Canada, but we get back only 13 per cent.

So, for the sake of equity, it would have been great to say: if there are cuts to be made in agriculture this year, perhaps we should make an effort to spare Quebec. Perhaps some cuts could be made in Quebec but not as much as everywhere else. The actual percentage was higher than the 19 per cent figure mentioned earlier.

• (1330)

I will tell you about the cuts affecting the Saint–Jean research station, and you will see that these are significantly higher than the 19 per cent figure for the rest of Canada. I mentioned the percentages for Quebec as a whole.

The budget also proposes to close the L'Assomption research station, which specializes in ornamental plants. It may be that the private sector can take over this activity. That research station was financed out of the budget of the Saint–Jean station. Indeed, although the two facilities were in different ridings, their budgets were centralized.

Quebec will also lose the La Pocatière centre. The consequences of that closure were explained by the hon. member for Kamouraska—Rivière–du–Loup. I will get back to this particular case later on. A number of documents which I have here list the various research stations, and the reasons for closing them. In the case of the La Pocatière station, the reasons mentioned are highly questionable.

Let us now take a look at the impact of these measures in my riding. The budget for the Saint–Jean centre is reduced by 32 per cent, going from $5.6 million down to $3.8 million. As I mentioned earlier, the overall cut is 19 per cent. So, after the military college, the residents of Saint–Jean are once again paying more than their share, this time in the agricultural sector.

The closures in L'Assomption in Saint–Jean will result in the loss of 17 and 10 jobs respectively. If you exclude L'Assomption and only take Saint–Jean into consideration, you end up with a 21 per cent cut. Once again, Saint–Jean residents are paying for the cuts affecting the agricultural sector.

I seriously wonder about the meaning of this flexible federalism which we hear about these days. Based on what we have seen so far, this flexible federalism means that Quebec must always do more than the rest of Canada. I showed that to be the case with an example relating to agriculture. I also showed it on numerous occasions last year with the military college. This year, however, it is in the agricultural sector that this budget will really have a negative impact in my riding.

I also have a document prepared by the Research Branch. This is not the first such document which I come across. Last year, I saw one from the National Defence Department. These documents are simply a series of questions and answers distributed to senior public servants in the various departments. Research Branch officials received this particular one, which merely repeats the answers to various questions. I think it is important to touch on some of these issues.

We are told about the impact of the budget on federal agri–food research in Quebec. This is what transpires: "As far as the food research and development centre at Saint–Hyacinthe and the dairy and pork research centre in Lennoxville are concerned, the impact will be minimal. The work being done in these centres reflects the main priorities of the food industry— There will be cut backs in the grain research program at the centre for soil and crop research and development in Sainte–Foy". No further details.

The next item is research on small fruits which was being done in Saint–Jean, a major production centre for strawberries and raspberries. The paper simply says that research activities at Saint–Jean will be terminated and transferred to the research centre in Kemptville, Nova Scotia.

Imagine, under–funding is already a problem in Quebec and Saint–Jean. Now they cut this program to transfer it to Nova Scotia. The same paper provides a list of centres of excellence where research is to be concentrated, apparently to be closer to production centres and the industry. This makes no sense at all. I condemn the fact that ten experts on small fruits research are removed at Saint–Jean, in order to transfer the centre to Nova Scotia. I cannot accept that.

• (1335)

Next question. Why did the government close down two facilities in Quebec? The answer? There will still be a federal research laboratory that will work on every aspect of the food industry. Saint–Hyacinthe and Lennoxville are mentioned again. So the policy seems to be that when we condemn these cutbacks, they are supposed to answer: We are still maintaining facilities at Lennoxville and Saint–Hyacinthe. Yes they are, but part of the operation at Saint–Jean has been removed and operations have been eliminated altogether at l'Assomption and La Pocatière.

Why are they closing La Pocatière? There will be a significant impact on ovine research in Canada and ovine, for the benefit of our viewers, means sheep. However, we are told that the sheep growing industry is relatively small. Just when they are starting to develop some expertise at La Pocatière, the government says they are going to stop because this sector is not significant. Once again, a market niche that should be expanding because in Quebec, we have the right kind of pasture for sheep, has once again been sacrificed at our expense.

Taking the experimental farm at l'Assomption as an example, they say that as a general rule, since this is research on ornamental plants, the private sector will take over. They always say to Quebec that, yes, we will be making cuts, but the private sector will pick up the slack and the only changes, if any, that need to be made regarding research centres and centres of excellence, will be to move them closer to areas of production.

I have a list of all the centres of excellence in Canada and only 4 out of 19 are located in Quebec. Once again, we are not getting a share proportionate to our population and to our contribution of 24 per cent of the federal government's agriculture budget.

Voters in Saint–Jean are very disappointed. My colleague talked about the 15 per cent cut a year for the next two years in dairy farm, dairy production subsidies. In this case again, Saint–Jean has huge dairy farms. These people are already dealing with a war that is brewing between us and the Americans; the Americans want NAFTA to prevail and we want the GATT to prevail. We are already on the road to a war and the only help the government is offering is to cut subsidies, while it will compensate western producers for decreases in land values, by means of loan guarantees and additional compensation of $300 million during the transitional period.

I call that out and out injustice. Through this budget, the electorate in Saint–Jean will lose 10 experts who were building up a renowned expertise and to whom all farmers in my riding constantly referred for their input. Now they are saying to the strawberry and raspberry producers of Saint–Jean that they will have to call Nova Scotia for advice, and I very much doubt that production anywhere in that province surpasses that in my riding. Lastly, Quebec's dairy producers are left out. Once again, this budget, on the agricultural front alone, hits Quebec and the electorate of Saint–Jean, and it is my duty to denounce it in this House.

[*English*]

Mr. John Richardson (Perth—Wellington—Waterloo, Lib.): Mr. Speaker, it is a pleasure today to join in the debate on the budget.

In response to some of the comments about the group of Liberals here today, they are different from some Liberals from the past. It is the nature of the times. They have come with a different perspective and it has shown up directly in the budget.

The overriding goal of the government since it came to power has been jobs and growth. We believe good economics and good social policies are one and the same thing. The most fundamental way good social policy begins is with a job. We must respond to the challenges of our times. We must adapt to the new economy and the new infrastructure based on ideas and innovation. The very nature of government must change. We must develop a new notion of responsibility. The time has long past when governments can or should do everything.

Several major things have happened. The world economy has become truly integrated. We must think globally. Trade barriers have been brought down. Communications are instant and transportation is swift. Markets never sleep. There are no longer any islands. Like it or not, there is no place to hide.

• (1340)

Since 1984 our debt has risen by three times. Compound interest is gobbling us up and the government now has a two track approach to sustained and sustainable economic growth. Growing economies produce jobs; economies that are not producing do not produce jobs.

The key to growth is productivity, which is how well ideas, workers, resources and investments are brought together in the country's economy. It is about ingenuity, better management and paying attention to the common sense of our workers.

How do we get high productivity growth increases, the only way we can increase real incomes? We must first improve our skills. We must have better innovation. We must provide a welcoming climate for investment, and let no one forget it. We must remove any disincentives we have created for people and business. Those were disincentives created by government. We must get our fiscal house in order.

The budget's plan introduces far reaching action to restore fiscal health which is essential for a strong, growing economy. The budget will fundamentally reform what government does and how it will do it. It will bring permanent change in the way government does business. The object is to get government right so it can fill its social and economic mandates and be more effective and sustainable. This will include deep cuts in the

federal program spending, not simply lower spending growth but substantial reduction in actual dollars.

That is fundamentally the philosophy of the majority of the governing side of the House. In a party of the Liberal Party's size there will be some who want to go further right and some who want to go further left. However, they do realize the government cannot be in every aspect of society.

I will comment on two or three things, overview of budget details and the program review undertaken, the underpinning for all of the cuts and directions of the government.

The budget is about getting government right so it can do a better job of helping to get the economy right by sustaining growth and confidence in creating new jobs while preserving our ability to help those in need. To meet this goal the budget delivers our commitment to cut the deficit to 3 per cent of the economy in two years. Some say that is not enough. Believe me, unless there is a target one can see on a daily basis, one will not hit the target.

Despite the impact of higher than expected interest rates, if economic performance is stronger than our prudent forecast, the deficit could fall at a steeper rate than was forecast. Our fiscal actions will total $29 billion in reductions over the next three years, more than any budget since the post war demobilization. In two years, program spending will be $10.4 billion less than today. It is a cumulative cut and will go on forever.

Just as important, the budget also changes the very nature of how government operates. This will ensure spending will be restrained beyond our two–year target period. The deficit will continue to fall, reflecting our commitment to eliminating it completely.

To achieve these results the budget takes fundamental action across government programs and operations. It implements the results of the program review, which I will speak to in a few moments, a comprehensive examination of departmental spending. We will focus on what is essential and do it better. The budget of some of the departments will be cut by one–half.

The budget also acts on a new vision of the federal government's role in the economy, one that includes substantial reduction in business subsidies. These will drop by $3.8 billion this year to $1.5 billion in the year 1997–98. The budget reforms major transfers to provinces, modernizing the federal–provincial fiscal regime, making it more effective, flexible and affordable.

• (1345)

These wide–ranging reforms mean a smaller public service. Some 45,000 positions will be eliminated, but we will manage this difficult process as fairly as possible, including the use of early departure and early retirement incentives.

This is also fair to the taxpayer. That is why the budget does not increase personal income tax. However, there are measures to improve tax system fairness. We eliminated the deferral taxes on investment income earned by private holding companies and we eliminated the ability of people to earn business or professional income by the ability to pick their own fiscal year end, an option that helps defer taxes, albeit only for the one year.

We are also eliminating all tax advantages of family trusts. We are temporarily reducing our upper limit on the RRSP contributions to $13,500 so benefits do not flow to people who earn more than two and a half times the average wage.

It is clearly a budget that places absolute priority on the expenditure reduction. It delivers nearly $7 in spending cuts to $1 in new tax revenue.

Let me speak of the program review. The budget agenda is not a plan for smaller government; it is a plan for smarter government and for the reform of the very structure of government and how it spends. The budget reflects the results of the program review we launched a year ago, and the actions taken to date secure structural reform irrevocably and deliver significant savings beyond the two fiscal years for which we have set firm deficit targets.

Achieving this goal demands wide–ranging bottom line action, and that is what the budget delivers. The size of government will be reduced substantially over the next three years. Departmental spending will be reduced by 19 per cent from the 1994–95 levels. For some departments, spending will be halved.

I mentioned that in my previous statement, but I cannot overestimate the realness of these kinds of cuts. In total, these actions will deliver a three–year saving of almost $17 billion. Let me be clear. These are real cuts in absolute dollars. They are not measures that try to pretend that a drop in the rate of spending growth is somewhat of a spending reduction.

Government programs are being redesigned by this review to make them more efficient and cost effective. Regional development agencies, for example, will play newer roles and will focus on small and medium sized business, and assistance will emphasize repayable loans, not grants.

A basic philosophy of the program review was that the federal government should not be doing what someone else can do better. As a result, we are devolving some programs to other levels of government and we are privatizing other activities. For example, fisheries and oceans will devolve fresh water responsibilities to the provinces. Forest and mineral development agreements with the provinces will be discontinued. Airports and recreational harbours will be transferred to local authorities,

and the Minister of Transport will move this year to privatize CN.

There was a lot of work done on all aspects of government. The government we will see two years from now will be far different from the government we saw at the beginning of our tenure.

Mrs. Diane Ablonczy (Calgary North, Ref.): Mr. Speaker, for the benefit of Canadians watching today, I would like to repeat that this is a debate on the budget implementation act. That does not sound like a very gripping topic, but it is very important. Really what it means is that we are talking today about how our government spends our money.

It is important to emphasize to Canadians that governments have no money of their own. They simply use our money and they use lots of our money. In many cases, Canadians feel that we are supporting government instead of government supporting us.

Be that as it may, it is very important that we examine carefully and very logically how governments spend our money. Because I am a human resources development critic for Reform, I would like to spend the minutes I have to discuss the budget implementation act and talk about how social program spending is handled in this budget.

• (1350)

First, this budget is rather shockingly vague about how social programs, particularly very important social programs, are going to be handled by this government. For example, the budget says that unemployment insurance will be cut a minimum of 10 per cent. How much would be the maximum? We do not know. The budget is silent. Who is going to be cut? How are the cuts going to be made? When are they going to be made? We do not know. The budget is silent on that and so is the budget implementation act. We have big questions about that big program that are not answered in this budget.

The second thing the budget says is that the two pillars of the pension plan are going to be re–examined in order to make them more sustainable. When are they going to be re–examined? We are not sure. We were supposed to have a paper, promised by this government, months ago. Now the government says it thinks it will be in the fall. Canadians hope so, but experience has shown that the time lines of this government are a little flexible, to say the least.

Here we have the pillars of the pension plan, the Canada pension plan and the old age security; they are going to be re–examined. There are going to have to be some changes. Those are code words for cuts, because we know there is no extra money. But we do not know when. We do not know who. We do not know how. There is a lot of vagueness in how important programs are going to be handled.

The budget implementation act in part IV does talk about how this new transfer to support health care, post–secondary education and welfare is going to be handled. The transfers from the federal government to the provinces for these three programs have now been rolled into one big transfer of block funding. Now this block has been given a nice name by Liberal spin doctors. It is being called the Canada health and social transfer.

Really the bottom line is that the moneys that used to go to the provinces for these three programs are being cut substantially. That in itself probably would not concern Canadians because they know that we cannot keep funding these programs on borrowed money. We cannot keep mortgaging our children's future to pay for these programs. The real concern is that there seems to be no coherent plan at all about the future of these programs.

We can live with cuts; we accept that cuts are necessary. But we need to know where that leaves us. Where is this going to take us? Where it takes us is a big question mark. There are absolutely no long–range plans, no game plan, on what is going to happen, for example, to the funding for the Canada Health Act, the medicare plan, our health care.

The provisions that are being put in place, the cuts that are being made, are simply for the next two or three years and then there is a commitment to talk to the provinces, to have some kind of consultation. Then we will see what comes out of that.

I would suggest that health care is one of the most important things to Canadians. All of us know our vulnerability to health care problems. Yet here we have a very important program for Canadians being cut, but there is no long term plan. One has to wonder why this government could not have had a consultation with the provinces, put together a long term plan in consultation with other major players, and then come out with changes to the game. But no. This government simply sat on the sidelines and made changes to the rules of the game in mid–game, with absolutely no idea of where this is all going to take us on a very critical plan.

I do not think that is good management on behalf of Canadians. Canadians deserve a lot better than that.

• (1355)

We have had several promises to come up with papers to deal with pensions and the changes that are going to be needed in our social programs. However, there is nothing for Canadians to give us any idea of where we are headed on these matters. We know we are losing our programs. We know they are being cut back, and cut back without consultation with the provinces. For example, about one–third of all provincial spending is on health care alone. Yet changes are being made without any consultation with the major players.

The second thing that concerns me in this budget implementation act is the punitive approach that is being escalated in the matter of transfers from the federal government to the provinces.

In the past, if the provisions of the federal government were changed or not adhered to by the provinces, then transfers for those programs could be cut. Now, under this budget implementation act, any transfer to the provinces from the federal government can be cut, even it if it is not referable to the social programs that the provinces are trying to change.

The federal government has promised certain transfers to the provinces. Now it can hold them hostage if it does not like what the provinces are doing in any area.

These powers are very arbitrary. It gives arbitrary power to the health minister to become the sole guardian of the Canada Health Act. If the minister is "satisfied" that a province is not in line with her own interpretation of the Canada Health Act, then she has the authority to effectively become the judge and jury of the provincial health system and can then ask cabinet to cut any federal transfer to the provinces.

This is just unacceptable when we are dealing with such critical programs. We need some certainty for our provinces.

When the health minister is asked how she is going to enforce these new arbitrary powers that she has been given, she says she will enforce them flexibly. However, when one examines the legislation there is absolutely no reference to any flexible interpretation of the Canada Health Act. In fact, we have members of the government and the Prime Minister standing up and saying: "The provisions of the Canada Health Act will be very firmly enforced by this government".

So we are hearing again two different interpretations of what is going to happen. If we are going to get our House in order and if we are going to ensure personal social security for Canadians, we need to have a great deal more certainty than we find in this bill.

It is incumbent upon the government, when it is bringing forward this kind of spending legislation, to tell Canadians how it is going to work, to give them a plan that they can count on, and to work with the provinces to make sure that the programs we have can be counted on and have some type of long term management rather than this cut and paste approach to what have become very important programs for Canadians.

The Speaker: It being two o'clock, we will now proceed to statements by members.

STATEMENTS BY MEMBERS

[*English*]

CREDIT UNION

Mr. Jesse Flis (Parkdale—High Park, Lib.): Mr. Speaker, yesterday, Sunday, April 2, the members of St. Stanislaus–St. Casimir's Polish Parishes Credit Union held their 50th annual meeting in the constituency of Parkdale—High Park.

Founded in 1945 by Father S. Puchniak, pastor of the St. Stanislaus parish in Toronto, the Polish Parishes Credit Union takes pride in being today the largest parish based credit union in the world, with over 37,000 members and total assets of $223 million.

This unique credit union provides a full range of financial services, including personal, mortgage and business loans, RRSPs, RRIFs, OHOSPs, and automated teller services worldwide.

The success of this progressive credit union, with branches in Toronto, Etobicoke, Mississauga, Hamilton, Kitchener, Guelph, Oakville and Windsor, reflects the growth and prosperity of Canada.

It is creating together opportunity not only for its members and families but for Canadians generally.

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[*Translation*]

MOUVEMENT DESJARDINS

Mr. Réjean Lefebvre (Champlain, BQ): Mr. Speaker, this weekend's annual meetings of the Mouvement Desjardins are proof once again of the huge success of the co–operative movement founded in 1900 by Alphonse Desjardins. The total assets of the Mouvement Desjardins have increased by 33 per cent and are now worth $73.8 billion. Furthermore, this institution has declared surplus earnings of over $314 million.

The Mouvement Desjardins has mirrored Quebecers' dynamism, since its inception. In encouraging Quebecers to invest their savings in Quebec, Claude Béland, the president of the Mouvement Desjardins, said, and I quote: "We have no hope of winning the development war if we hand over our arms to others".

The success of the Desjardins movement is the result of an economic development model based on co–operation. Quebec's economic prosperity requires all participants in the Quebec socio–economic scene to work together in the fight against chronic unemployment.

[*English*]

GUN REGISTRY

Mr. Jay Hill (Prince George—Peace River, Ref.): Mr. Speaker, less than three weeks ago I asked the Minister of Justice how he could guarantee responsible gun owners that his gun registration system would be safe from computer hackers. He accused me of fear mongering and conjuring up images that frighten Canadians. Then he went on to state that without his gun controls we would end up with a gun culture and would go the way of other countries. We have not had his gun control laws for the last few centuries and we do not have a gun culture yet. I have to ask: Who is doing the fear mongering?

On Friday the *Globe and Mail* reported the arrest of yet another computer hacker. He has broken into several databases throughout the federal government and at IBM. If IBM cannot defend itself from computer hackers, how secure will the new national gun registry be?

I repeat: How can the justice minister assure law–abiding firearm owners who comply with his new law that they will not simply be providing gun thieves with a computerized shop at home catalogue?

* * *

HON. MEMBER FOR BEAVER RIVER

Ms. Paddy Torsney (Burlington, Lib.): Mr. Speaker, on behalf of the government team in the House of Commons and the Senate and as chair of the Liberal women's caucus, it is my honour to welcome back to this place the hon. member for Beaver River.

Most here would agree that her presence has been missed. Her contribution to the third party is significant and important. Government members look forward to the hon. member getting the Reform Party to focus on the real issues and making some valuable contributions in improving the lives of Canadians.

There are only 54 women in this House. When one from our ranks is missing, Canadians notice.

Once again, bon retour. We wish the hon. member continued good health.

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THE ECONOMY

Ms. Jean Augustine (Etobicoke—Lakeshore, Lib.): Mr. Speaker, as economic growth continues to accelerate, this government is making great strides toward steering Canadians back on the road to competitiveness. Strengthening Canadian industry will continue by building a healthier marketplace, promoting workplace innovation, expanding trade, improving our infrastructure and harnessing leading edge technology.

Etobicoke—Lakeshore business leaders who previously impressed upon me the need to make Canada more competitive are now telling me that we are on the right track. They support the government's effort to assist the private sector in innovation and job creation. Competitive wages, low manufacturing costs, available tax incentives, encouraging research and development, a suitable workforce and an excellent quality of life all add up to an ideal community in which to do business.

I look forward to the Etobicoke—Lakeshore business community and the government working together in a greater partnership to build a more innovative economy.

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SIKH NEW YEAR

Mr. Gurbax Singh Malhi (Bramalea—Gore—Malton, Lib.): Mr. Speaker, Sikhs throughout the world are celebrating the 296th anniversary of the birth of the Sikh nation and the Sikh faith. I am sure all members will join me in congratulating the Sikh community on this auspicious occasion.

Sikh heritage includes a pledge to fight against tyranny and uphold the principles of justice, equality, brotherhood, honesty, the right of free and truthful expression and human dignity among all the people of the world, regardless of colour, creed, race, sex, religion or country of origin.

Mr. Speaker, I was very pleased to share a traditional lunch with you earlier today and would like to once again invite you to attend a reception to celebrate the anniversary of Vaisakhi with us in the Commonwealth room following question period.

Only through increased knowledge of diverse cultures can Canada continue to be a country of tolerance and compassion.

* * *

• (1405)

[*Translation*]

IMMIGRATION

Mr. Osvaldo Nunez (Bourassa, BQ): Mr. Speaker, the Minister of Immigration is insensitive to the plight of refugees who will now have to pay $975 in addition to the basic $500 for permanent resident status in Canada.

Last Thursday, the minister stated that $975 was the price of a colour television in Canada, intimating that the cost was within everyone's reach.

In 1990, the average personal income in Haiti was $320; in 1992, the average income in India was $370 and, in El Salvador, it was $870. These examples clearly illustrate the difficulties faced by refugees accepted into Canada.

The minister's remark demonstrates his profound indifference to the financial and political realities of many immigrants and refugees.

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[*English*]

CANADIAN HERITAGE

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, the Department of Canadian Heritage has taken on the appearance of a dying turbot flip–flopping on the slippery decks of a trawler under siege. There is no focus, no direction and no guidance from the minister who continues to be AWOL, awfully weak and out of the loop.

What a string of broken election promises. There is the broken promise of new copyright legislation due last spring; the broken promise to Sports Canada for secured funding for amateur sport; the broken promise to assist the Canada Council as it refocuses its activities; the broken promise for a cultural policy review; and the broken promise to give future direction to the CBC.

Canadian cultural organizations need guidance to shepherd them into greater reliance on themselves and the private sector, but the government is failing to provide that leadership.

What has changed since the Tories? Nothing. The minister is having so many problems in his department that he has appointed a former Tory cabinet minister to give him a hand. And will he become the next fall guy in a government that no longer seems to know the difference between a Liberal and a Tory?

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FOREIGN OVERFISHING

Mr. Pat O'Brien (London—Middlesex, Lib.): Mr. Speaker, many of my constituents have asked me to express their total and enthusiastic support for the efforts of our government to stop overfishing of turbot on the Grand Bank.

Although my riding of London—Middlesex is in southwestern Ontario many miles from the Grand Bank, our hearts are with the valiant people of Newfoundland and all Atlantic Canadians as they struggle to save fishing as a way of life.

Our hats are off to the Minister of Fisheries and Oceans as he leads this important crusade. From coast to coast to coast, Canadians applaud his efforts and the leadership of the government. We stand shoulder to shoulder beside our fellow Canadians in Atlantic Canada. Together we must and we will save the fishery.

ALTERNATIVE FUELS

Mr. John Finlay (Oxford, Lib.): Mr. Speaker, today I would like to congratulate a member of the other place.

The hon. Senator Colin Kenny has introduced Bill S–7, an act to accelerate the use of alternative fuels for internal combustion engines. This bill would see at least three–quarters of the 38,000 federal government vehicles switched to alternative fuels. Bill S–7 would generate estimated savings of $7 million per year and would serve as an important step in cleaning up our environment.

Bill S–7 is a positive addition to the recent announcements made by the government regarding federal support for the ethanol industry and the removal of MMT from gasoline. It is clear that positive environmental policy is being developed in both houses of Parliament.

My congratulations go out to the hon. senator and all those who are working to improve the environment in which we live. I will be happy to support Bill S–7 when it arrives in the House of Commons.

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[*Translation*]

BEAUCE—FRANCO–MANITOBAN MEETINGS

Mr. Gilles Bernier (Beauce, Ind.): Mr. Speaker, Franco–Manitobans and the citizens of Beauce want to build a better Canada where everyone is accepted and feels he belongs. This is why they have decided to set up a partnership between the stakeholders in the political institutions and business communities of both regions.

Last week, Franco–Manitobans hosted a delegation from Beauce interested in exploring possible exchanges in the economic and cultural sectors that would promote better mutual understanding.

I would like to commend this initiative, which corresponds with the wish of French Canadians to draw closer to one another, to live in harmony and to work together to create instruments of growth and development. Such an association can only help to create strong bonds of friendship among all Canadians.

* * *

• (1410)

BEAUCE—FRANCO–MANITOBAN MEETINGS

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Mr. Speaker, last week, representatives of the Beauce region in Quebec and the French community in Manitoba met in St. Boniface to discuss the possibility of a pact of friendship between these two regions.

This visit is part of a process that began last year to look at possible exchanges between Beauce and the French community in Manitoba in the economic, cultural, educational and communications fields.

Our friends from Beauce had a busy schedule in Manitoba. They met with the Société franco–manitobaine, the Association of Bilingual Municipalities, the Chamber of Commerce, CKXL community radio, the Collège universitaire de Saint–Boniface, the Société historique de Saint–Boniface, and I could go on.

This pact of friendship between the French–speaking citizens of Beauce and Manitoba is a fine example of the manner in which the two communities can work together to create jobs and get to know one another better.

I congratulate the participants in this pact of friendship, who are trying to build a Canada that is stronger and more united within the Canadian federation.

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CRIMINAL CODE

Mr. Michel Daviault (Ahuntsic, BQ): Mr. Speaker, the recent events in Montreal, where bikers are fighting over control of drug trafficking, point to an urgent need to enact antigang legislation.

Yet, the Minister of Justice is still reluctant to act on the requests made in this regard by the Bloc Quebecois and members of the public.

According to a SOM poll published in *La Presse* last week, 80 per cent of Quebecers want an antigang law to be passed as quickly as possible in order to solve a growing problem which is threatening the lives and safety of peaceful citizens.

The Minister of Justice must consider the suggestions made by the Bloc Quebecois if he wants to bring such criminal activities under control. If the minister decides to turn a deaf ear, he will miss an opportunity to protect citizens whose fears are legitimate.

* * *

[*English*]

CANADA PENSION PLAN

Mr. Jim Hart (Okanagan—Similkameen—Merritt, Ref.): Mr. Speaker, I rise today on behalf of the constituents of Okanagan—Similkameen—Merritt to remind all members of this House of a birthday. The Canada pension plan is 30 years old today.

Normally a birthday is cause for great celebration with balloons, candles and of course my favourite, a great big birthday cake. At 30 years of age you would think we could celebrate a long vibrant time, but CPP is tired and sick with iron poor Liberal blood.

Thanks to the Liberals, the Canada pension plan is another victim of mismanagement. The CPP fund is not self–sufficient and not actuarially sound. In order to be solvent, contributions will have to triple over the next 20 years. The Canada pension plan, introduced by a Liberal government 30 years ago, has been so mismanaged that future Canadians cannot look forward to collecting.

The recent budget does nothing to safeguard our social programs and social safety net.

The Liberals have burst the balloons for today's celebration. They have blown out the candles and have allowed our birthday cake to go stale and mouldy.

* * *

WEST COAST FISHERY

Mr. Nelson Riis (Kamloops, NDP): Mr. Speaker, the minister of fisheries has taken a very strong stand on behalf of the east coast turbot fishery. For that he is to be applauded. While he goes to the wall to save the turbot, I urge him not to forget the other coast of Canada.

The recent Fraser report and the Suzuki Foundation report point out that the five species of British Columbia salmon are at high risk due to overfishing and habitat loss. The report reveals that many more serious issues face the west coast salmon fishery and identifies specific initiatives requiring immediate action.

Our west coast salmon fishery is still a viable fishery. To ensure that it remains viable, it requires immediate attention.

It was a lack of proper management that placed the west coast salmon fishery at risk. I urge the minister of fisheries to give the time, energy and support to the west coast that he has so generously given to the east coast.

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CARLETON COUNTY STEER SHOW AND SALE

Mr. Harold Culbert (Carleton—Charlotte, Lib.): Mr. Speaker, on April 3 and 4 the 43rd annual Carleton County Spring Show and Sale of Steers will be held in Florenceville, New Brunswick.

Nearly half the entries are from 4–H club members. These youth are eager, responsible, committed to detail and capable of competing under pressure.

All exhibitors will be judged based on demanding criteria. Following the competition the annual auction will be held.

This year, all the exhibitors have joined together to donate a steer which will be auctioned off with proceeds going to the Volunteer Family Services Organization which serves the whole region.

I congratulate the organizers of the 43rd annual Carleton county show and sale. I wish them success again this year.

REFORM PARTY

Mr. Peter Adams (Peterborough, Lib.): Mr. Speaker, I see from the papers that members of the Reform Party are considering combining with the federal Tories. The papers say that the Reformers are disgruntled with their leader and they want a new party led by the member for Calgary West.

• (1415)

It shocks me that members of the third party want to change parties after less than two years in Ottawa. Surely they made commitments in the election campaign to their constituents as members of the Reform Party, not as Tories.

Have they forgotten their campaign promises? Have they consulted with their constituents on this change of party? And what about the so–called Reform budget that was presented recently? What can it be worth if Reformers are going to jump ship so soon after it was released?

We on this side of the House are proud of our party. We are proud of our leader. We know we have great responsibilities as the elected Government of Canada, but we are not daunted by the challenges. We Liberals are going to stay the course to help make Canada an even better place.

* * *

PRESENCE IN GALLERY

The Speaker: Colleagues, I would like to bring to your attention the presence in the gallery of Mr. Boguslaw Liberadzki, Minister of Transport and Maritime Economy of Poland.

Some hon. members: Hear, hear.

The Speaker: At the same time colleagues, I would like to draw your attention to the presence in the gallery of Madam Haizhen Zhou, Chairman of the Committee on Foreign Affairs, Jiangsu Provincial People's Congress, Nanjing China, and her accompanying delegation.

Some hon. members: Hear, hear.

ORAL QUESTION PERIOD

[*Translation*]

CANADA SOCIAL TRANSFER

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, with its Canada social transfer, the federal government claimed it was giving the provinces greater autonomy and flexibility with respect to social programs. But in implementing this Canada social transfer, Ottawa is set to impose national standards for social assistance and post–secondary education, totally disregarding provincial jurisdiction over these areas.

How can the Prime Minister talk about flexible federalism when his government is not only withdrawing from social programs but also threatening to further penalize those provinces that do not comply with the new national standards, which amounts to imposing its views while at the same time denying provincial jurisdiction over social programs?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, what we plan to do is to ensure that adequate services are provided to all Canadians. The hon. member should have noticed that there are ongoing consultations among the provinces and between the federal government and the provinces to ensure harmonization from coast to coast. This will give Canadians access to acceptable and adaptable services wherever they go in the country.

There is already a high level of co–operation among the provinces. The role of the federal government is to ensure that the agreements reached are as uniform as possible so that people can move freely across the country.

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, how can the Prime Minister have the gall to ask the provinces to make up the shortfall resulting from the federal government's withdrawal, while at the same time relegating them to a mere advisory role in developing new and much more restrictive national standards, particularly with respect to health?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, health is covered by legislation. The five major conditions governing health care in Canada—universality, portability and the rest—are in the act. There is a clear commitment by this Parliament with respect to maintaining these five principles.

As for their implementation, discussions are under way between the Minister of Health and her counterparts. We are looking for the best solutions. If services are to be accessible to all Canadians, when Canadians travel across the country, whether on vacation or business, they must be able to rely on the same services in other provinces as in their own. Everyone agrees that Canada's health system is one of the best in the world. We must ensure that it remains that way as much as possible.

• (1420)

Mr. Michel Gauthier (Roberval, BQ): Mr. Speaker, are we to understand from the Prime Minister's answers that, for him, flexible federalism means that Ottawa is responsible for social programs and the conditions under which these programs are provided to Canadians, while the provinces are concerned only with their administration, when they are facing enormous financial difficulties following his government's withdrawal?

[*English*]

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I repeat that all these things are done all the time in consultation and collaboration with the provinces.

We have many meetings with them trying to co–ordinate the actions of all the governments so the people of Canada can have very good services in health, education and in the welfare system.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, my question is for the Prime Minister. The Minister of Human Resources Development continues to claim, and I quote: "That is the whole point of consolidating the existing transfer system, to give the provinces the freedom of choice to look at programming which suits the individual needs of their own areas. At the same time, it is a national program. There are basic conditions and those conditions must be met".

Does the Prime Minister realize that this federalism, based on the imposition of national standards, is radically opposed to Quebec's wish to have control over the intervention tools, particularly in the manpower training sector?

[*English*]

Hon. Lloyd Axworthy (Minister of Human Resources Development and Minister of Western Economic Diversification, Lib.): Mr. Speaker, not at all. Under the proposed consolidated transfer the provinces will have a great deal of flexibility in choosing priorities as to which issues they wish to handle and how they wish to handle them.

Moreover, as we have put in the omnibus bill, there are some basic fundamental principles such as those contained presently in the Canada Health Act or those presently in the Canada assistance plan which protect residency requirements that provide the bear minimum requirements we expect the provinces to adhere to.

When it comes to choosing programs or priorities it is up to the provinces. We are giving them the flexibility to make those as opposed to many of the restrictions that held back provinces from doing the kind of innovative work they wanted to do which was clearly and explicitly put forward as one of the assessments and recommendations from the House of Commons committee which assessed this problem as part of the social review.

[*Translation*]

Mrs. Francine Lalonde (Mercier, BQ): Mr. Speaker, the government's position includes two components. The first one talks about flexibility, while the second one provides that, if necessary, national standards will be applied to other social programs.

Is the Prime Minister prepared to convene a federal–provincial conference to inform the provinces that, from now on, his government will impose its views, not through its spending power, but by making deeper cuts in the transfers, if the national standards are not complied with?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the Minister of Human Resources Development will consult the provinces on his reforms. We are currently reviewing the committee report on this issue. In the coming weeks and months, the minister will hold bilateral meetings with his provincial counterparts.

If necessary, and if he feels that it is everyone's wish to have a meeting of federal and provincial ministers, I am sure that the Minister of Human Resources Development will have no objection. Consultations will take place. We do not intend to act unilaterally. On the other hand, it is our responsibility to make sure that adequate services are provided to all Canadians.

* * *

[*English*]

MEMBERS OF PARLIAMENT PENSIONS

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, baseball is back and so am I. We will play some hardball.

On March 13, while I was away, I became a reluctant member of the Liberal's pork pension for life club, a club that will give the Deputy Prime Minister over $2 million, my immigration minister friend over $3 million and the new president of the CBC, Perrin Beatty, over $5 million.

I want to opt out of this ludicrous plan. Yet under government guidelines I am trapped at the trough.

Will the government extend the opting out clause to include MPs with six or more years service, not just new MPs as it says?

• (1425)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, we are very happy to see the hon. member back and in good health. She is sometimes better than her leader, so we are happy to have her here.

For the last six years that she has been here she has not minded being trapped. Now that she knows she is trapped she wants to get out. It is kind of a coincidence because we never heard about that when she was to be trapped.

This is a subject I find terribly disappointing. As of tomorrow I will have been a member of Parliament for 32 years. I have contributed to the pension plan 15 years too many. What I do not like about that kind of question is the implication that when one is a member of Parliament one does not earn every cent for the service one renders to one's constituents and the people of Canada.

When I see good members of Parliament like her downgrading her own value by telling people she is overpaid, I must tell her she is not overpaid. None of us is overpaid. Concerning those who are overpaid, the people of Canada will do the right thing and kick them out in the next election.

I find it ridiculous for the Reform Party to think that members of Parliament, who make half the salary of the lowest paid hockey players in the NHL, are overpaid.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, we are talking about pensions here, not pay. It is hardly any surprise to the Prime Minister that I have been talking about MP pensions. I have spoken about this for six years.

The ratio is that for every dollar I and other members in the House contribute the government is putting in six to seven dollars. That is the problem people have. We are locked into this pension plan.

I want to opt out, the voters in Beaver River want me to opt out and the Canadian taxpayers probably want all of us to opt out or at least make it fair. It is up to the government to find a way. Like the songwriter, I am saying please release me, let me go.

Why will the government not go beyond what the President of the Treasury Board said and make more than cosmetic changes, real changes to the MP pension plan?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the member does not want a pension, she wants a pay increase. The commission said that at this time perhaps the ideal situation would be to give a better salary to MPs and reduce their pensions. However, at this time the salaries of bureaucrats and all other government employees in Canada have been frozen.

Members of Parliament and the public service have had no increase for the last three and a half years. Perhaps in the package they were overpaid in terms of pension but they are certainly underpaid in terms of salary. The balance is pretty good for those who are very good members of Parliament. In my judgment there are very few members on my side who are not earning every cent they are paid.

Miss Deborah Grey (Beaver River, Ref.): Mr. Speaker, the government has said it cannot let all MPs opt out because it needs to protect the stability of the pension plan.

The only things the government is trying to protect are the lavish payouts to the Liberal frontbenchers, of whom there are many. Perhaps their noses are firmly planted in the trough. Pay and pension are different things. Let us bring them into line.

Will the government let the Deputy Prime Minister, the immigration minister, the fisheries minister, the finance minister and even the Prime Minister opt out of this lavish pension plan when they have six or more years of service, yes or no?

• (1430)

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I have served here for many years. The pension that will be paid to me is something I have earned serving the people of Canada.

In many ridings I see directors of hospitals and chiefs of police and dozens of other people being paid out of public money making more than members of Parliament. I am not ashamed to face the people in my riding and tell them what I earn and what members of the House earn.

Some people want to score cheap political points because they cannot get the support of the people on the real problems of the nation.

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[*Translation*]

FISHERIES

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, my question is directed to the Minister of Fisheries and Oceans. The minister claims that negotiations between Canada and the European Union are progressing at a rate that leads us to conclude that an agreement is imminent. However, we are witnessing a hardening of the position of spokespersons for the European Union, especially Mrs. Bonino, European commissioner for fisheries.

Could the Minister of Fisheries and Oceans report on the progress of negotiations under way in Brussels, and does he still maintain that Canada and the European Union are on the verge of reaching an agreement?

[*English*]

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

There are ongoing negotiations at this moment in Brussels between the Canadian and EU delegation. The negotiations have made very good progress over the weekend. Only a few matters remain to be resolved in principle.

The member will realize that at the end of the negotiating process the report of the negotiators will be sent to the authorities in Brussels at the EU government and to the Prime Minister and members of the cabinet for consideration. We hope that occurs shortly. We hope that at the end of the day, as we have always preferred, a negotiated and effective enforcement and conservation regime is possible.

[*Translation*]

Mr. Bernard St–Laurent (Manicouagan, BQ): Mr. Speaker, considering the items still outstanding, how does the minister

explain the presence of ten Spanish trawlers in the contested area, as negotiations continue in Brussels?

[*English*]

Hon. Brian Tobin (Minister of Fisheries and Oceans, Lib.): Mr. Speaker, there are a number of vessels in the contested area. It is clear to anybody who looks at it objectively that if there is one interest, if there are some people who have an interest in not having an effective conservation regime and an effective enforcement regime, as the Prime Minister has set out as the priority of the Government of Canada, it is perhaps some of the skippers, some of the captains and some of the owners of those vessels.

Any agreement approved by the Government of Canada subject to the mandate set out by the Prime Minister personally is an agreement that would see the future of the turbot species and all other groundfish species and straddling stocks maintained not only for Canada, because this is not just about Canada, but for all mankind.

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GOVERNMENT SPENDING

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

The Canadian advisory council on the status of women has been disbanded. As of April 1 its president, Glenda Simms, is out of a job. Despite this, the Secretary of State for the Status of Women keeps Simms on the government payroll until the end of October.

Both the Prime Minister and the President of the Treasury Board have stated in the House that if you do not have a job, you do not get paid.

How can the government justify this extravagant waste of taxpayers' dollars?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, there is sometimes a need to keep people who have been working for us on the payroll to help us finish a job and put everything in order.

There is another element to that. When you make an arbitrary decision to terminate an employment you give some time to a person to adjust to the new reality. It is on these two points that we have decided to keep that very competent woman on the payroll for a few months. We need her and it will give her some time to adjust to the new reality.

• (1435)

Mrs. Jan Brown (Calgary Southeast, Ref.): Mr. Speaker, as Mrs. Simms adjusts to the new reality, we hear now she is on a taxpayer funded nine–day junket to the Philippines. While her colleagues in her department are packing their bags, Mrs. Simms and her assistant are packing theirs to go on this wonderful trip to the Philippines.

Given that her job is finished and given that this trip is redundant and frivolous, will the government commit here and now to cancelling this junket?

Mr. Jesse Flis (Parliamentary Secretary to Minister of Foreign Affairs, Lib.): Mr. Speaker, I do not know why but every time a member of Parliament or someone representing Canada goes to another country somehow members in the opposition feel it is a junket. This commitment was made in November of 1994. When we as a country make a commitment to another country we must honour and respect it.

To call this a junket is an offence to Canadians representing Canada abroad.

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[*Translation*]

KANESATAKE RESERVE

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, my question is directed to the Minister of Indian Affairs and Northern Development.

Last week at a press conference, a Mohawk resident of Kanesatake condemned as unfair the system for allocating property unlawfully occupied in Kanesatake.

Does the minister still maintain that a process for allocating homes that ignores the expectations of law–abiding citizens while rewarding those who have no respect for the law is working well, as he said the other day in this House?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, I am well aware of the individual who has lodged the complaint. My friend should spend more time checking out that person's background. That is my primary observation of what is happening.

We have gone through an extensive list primarily through the Mohawk housing authority. Those people in need have been allocated the houses. The houses have been allocated to various people by letter. What fairer system is there than that?

[*Translation*]

Mr. Claude Bachand (Saint–Jean, BQ): Mr. Speaker, I can inform the minister that I know what I am talking about. Right now, houses are allocated in Kanesatake as follows: whoever has the biggest gun has the biggest house.

Does the minister realize that his department's tolerant attitude merely encourages unlawful occupancy by residents and constitutes a disavowal of the current procedure of putting people on a waiting list?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, to my friend, because he is consumed with the Mohawks on this reserve, if he wants to talk about tolerance he should talk about the broader aspects of aboriginal people in Quebec.

I refer him to none other than Pierre Vallières, well known to separatists, who said yesterday that Mr. Parizeau recognizes aboriginal sovereignty but he does not give aboriginal people the means to achieve it. He also accused the Parti Quebecois government yesterday of discriminating against aboriginal people by denying them the means to self–government.

We are providing the means, they are using them fairly and we will work with them.

* * *

GOVERNMENT APPOINTMENTS

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, my question is for the Prime Minister.

Page 88 of the Liberal red book states the Conservative regime has deliberately undermined our national cultural institutions. Given this fact, how can he justify putting a former Conservative cabinet minister behind the wheel of the CBC, unless it is to score cheap political points for patronage?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I had the opportunity to observe Mr. Beatty in the House of Commons when he was a member of the government. He has a lot of experience on the Hill. He was elected some 20 years ago and he has learned a lot.

He was available to do the job and I know he will do his best to ensure the CBC becomes an organization which will adjust to the new realities. His experience in Parliament will help him a lot in communicating that goal to employees of the CBC and to the Canadian public.

Mr. Jim Silye (Calgary Centre, Ref.): Mr. Speaker, it is amazing how things change. A year ago the former cabinet minister was undermining national cultural institutions.

• (1440)

Given that the general public is fed up with making millionaires of defeated politicians and then watching them being appointed to federal boards and agencies, and given the government's hypocritical stance on patronage appointments to date, will the Prime Minister undertake to restore integrity, as he promised in the red book, to the appointment process by removing his exclusive franchise on the selection process and creating a non–partisan board to make these appointments, of course with his final approval?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, the government is responsible. When we make bad appointments, the people know who is responsible. We cannot pass the blame to anybody else.

They are independent and when we give them an independent rule, we respect that. Just because somebody has been a member of Parliament does not mean they are disqualified. They had the honour of representing the Canadian public.

I see some members of the Reform Party. They are not all alike. I might be happy to appoint some of them some day.

Some hon. members: Oh, oh.

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[*Translation*]

KANESATAKE RESERVE

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, my question is for the Minister of Indian Affairs.

On Friday, the Solicitor General declared that the provinces have jurisdiction over casinos and that the Kanesatake Mohawks must obtain Quebec's authorization before building their casino. Quebec's Minister of Public Security has already stated that Quebec would refuse to approve the project for security reasons.

Will the minister indicate what kind of negotiations are going on between the federal government and the Kanesatake band council regarding the construction of a casino?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, the preface and the observation of the hon. member are correct.

The former government delegated jurisdiction for casinos to the provinces. The province of Quebec, at least from press reports, is not prepared to grant a casino in this case. No specific negotiations are going on with the Mohawk communities on casinos.

I have had general discussions with perhaps 100 First Nations across the country from time to time as to what is the state of casinos, what we can do to help them and this type of general discussion. There are no specific negotiations on this matter.

[*Translation*]

Mr. Maurice Godin (Châteauguay, BQ): Mr. Speaker, does the minister intend to clearly explain to the band council that it is up to Quebec to decide whether a casino will be built on Kanesatake?

[*English*]

Hon. Ron Irwin (Minister of Indian Affairs and Northern Development, Lib.): Mr. Speaker, what is clear is that this does not fall under the jurisdiction of Quebec.

We have allowed Quebec through an agreement to do this job. Some provinces are doing it well. For instance in Saskatchewan they have an agreement where there will be two classes of casinos, one in Regina, four on aboriginal reserves with a split of profits. Some are in chaos but some are doing well.

We intend to work with the provinces and work with the aboriginal people to see if we can bring order to the chaos.

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HATE LITERATURE

Mr. Reg Alcock (Winnipeg South, Lib.): Mr. Speaker, my question is for the Solicitor General.

Whether it be paper mail or electronic mail, hate mail is still hate mail. The availability of hate propaganda on the Internet is a matter of grave concern for many Canadians.

Can the Solicitor General inform the House on what is being done by the government to address the issue of the increasing availability of hate literature on the Internet?

Hon. Herb Gray (Leader of the Government in the House of Commons and Solicitor General of Canada, Lib.): Mr. Speaker, the government believes that the use of the Internet as a vehicle for hate propaganda or the facilitation of hate crimes is a serious concern that deserves to be dealt with.

At the same time, because of the structure of the Internet not coming within the clear jurisdiction of any country or countries creates a serious problem when it comes to dealing with the matter.

• (1445)

However, officials in my department, the Department of Justice and the department of heritage are working on possible solutions. Whether it involves the Criminal Code, telecommunications legislation or an international agreement, we are working to deal with this problem because we believe Canadians do not want to see the Internet misused for the purposes of hate propaganda.

* * *

[*Translation*]

ALLIANCE QUEBEC

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, the newspaper *La Presse* revealed some very interesting financial information about Alliance Quebec this weekend. According to a report, this group, devoted to protecting the rights of anglophones, has spent more than 75 per cent of its budget on salaries and rent. Its budget of $1.2 million comes from taxpayers. Membership in the organization continues to dwindle, while other groups are doing an excellent job while arranging for private funding.

Would the Minister of Finance explain how this type of special interest funding fits in with his budget commitment to change our approach to interest group funding?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the government supports minority language groups across Canada, whose leaders have been democratically elected. These associations actively defend the interests of their communities, and the Government of Canada believes a dynamic anglophone community is important for Quebecers as a whole.

We believe it is possible to promote the French fact in Quebec, while recognizing and promoting the contribution of the anglophone minority.

[*English*]

Mr. Bob Ringma (Nanaimo—Cowichan, Ref.): Mr. Speaker, even Alliance Quebec's past president was quoted as saying that former employees and activists of Alliance Quebec end up becoming political attachés, bureaucrats and Liberal candidates.

The Canadian taxpayer deserves better. When is the government going to get rid of this Liberal lap dog that is masquerading as a special interest group?

Hon. Alfonso Gagliano (Secretary of State (Parliamentary Affairs) and Deputy Leader of the Government in the House of Commons, Lib.): Mr. Speaker, the last government lasted nine years. It supported the same organization. It is important that the Canadian government supports minority language groups outside and inside Quebec. That is what we are doing. That is what we will to continue to do.

* * *

[*Translation*]

HEPATITIS C

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, my question is for the Minister of Health. After nearly a year of hesitation and pussy–footing, the Red Cross is finally starting to contact individuals who were infected with hepatitis C between June 1990 and February 1995.

Can the minister tell us why the Red Cross has decided to contact only those who contracted hepatitis C between 1990 and 1995, when many were contaminated before 1990, as the Krever inquiry has shown?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I can tell you that the hon. member recognizes that there are many jurisdictions involved in this issue. I must also say that a screening test was developed only in 1990. Of course, the Red Cross is just beginning its search. We are eagerly awaiting

Justice Krever's recommendations on contacting individuals infected with hepatitis C.

Mrs. Pauline Picard (Drummond, BQ): Mr. Speaker, I would like to remind the hon. minister that this decision was made by the Red Cross. Does she not realize that the Red Cross's decision not to contact individuals infected through blood transfusion before 1990 is unfair and puts the members of their families at great risk of being contaminated?

[*English*]

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, I will repeat it in the other official language of the country. No test was in use or available in Canada prior to 1990 to detect hepatitis C.

• (1450)

The whole question of hepatitis C and traceback is one that is being seriously considered by all of the players in the country. That includes hospitals, provincial governments as well as the Red Cross and the federal government.

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ST. JOHN'S WEST

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I would like to ask the Prime Minister about the list of concerns that keeps growing and growing in what is surely to be a major headache in St. John's West, Newfoundland.

RCMP reports present cause for searching the member's company which may lead to as many as 10 charges of fraud involving federally granted dollars.

My question for the Prime Minister is this. Will the Prime Minister give the ethics commissioner the mandate by making him accountable to Parliament so that he can investigate this case that is giving headaches to the people in St. John's, Newfoundland?

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, you know our system of law. No one is guilty until there is a conviction in court. A person has the right to defend his or her point of view. I do not think the House of Commons is the place to debate that.

At some time any member of Parliament can be subject to accusations but in our criminal law system justice means that nobody is guilty until found guilty.

Mr. Randy White (Fraser Valley West, Ref.): Mr. Speaker, I am talking about ethics here, not criminal charges at this point. The people of St. John's West, Newfoundland deserve a better answer than that.

A recall petition has already been circulated in St. John's West. I would like to ask the Prime Minister if he would not agree that recall legislation would deal with this. As presented by my colleague for Beaver River—

Mr. Speaker: The question as it is posed is out of order, as it is hypothetical. I will permit the hon. member to try to rephrase his question.

Mr. White (Fraser Valley West): Mr. Speaker, I would like to ask the Prime Minister if he supports the concept of recall when it comes to the matter of ethics within the House of Commons and members of Parliament.

Right Hon. Jean Chrétien (Prime Minister, Lib.): Mr. Speaker, I think this member of Parliament has never faced any accusation from any court and she is representing her constituents very well as a member of Parliament.

In terms of recall I have to tell you, Mr. Speaker, that if we had a system of recall in Canada we would have a lot of byelections from that corner from western Canada.

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CANADIAN COAST GUARD

Mr. Guy H. Arseneault (Restigouche—Chaleur, Lib.): Mr. Speaker, my question is for the Minister of Fisheries and Oceans.

The 1995 federal budget announced that the government will merge the Canadian Coast Guard with the Department of Fisheries and Oceans effective April 1995.

Can the minister inform the House how much this amalgamation will save the Canadian taxpayer? What assurances can he give that combining the two services will not reduce services to the marine industry?

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

This proposal, which originated with the quick thinking of the Minister of Transport who is looking for ways to consolidate, to build efficiencies and to save the taxpayers money, has been today officially approved by the Prime Minister. The merger of the Department of Fisheries and Oceans and the Canadian Coast Guard will result in some 168 vessels, including 42 offshore vessels, working together, hand in hand.

We saw an example last week of how putting coast guard vessels, officers and personnel, and DFO personnel together working efficiently for Canada contributed greatly to sustaining, to building and to protecting our offshore resources. I thank the member for his question.

• (1455)

[*Translation*]

CANADIAN HUMAN RIGHTS COMMISSION

Mr. Jean Landry (Lotbinière, BQ): Mr. Speaker, my question is for the Minister of Justice. The budget cuts made in previous years have already forced the Human Rights Commission to reduce the number of its information officers. As a result, the number of public inquiries fell by 25 per cent, while the number of complaints filed with the commission continues to increase.

Can the Minister of Justice confirm that the Canadian Human Rights Commission intends to reduce services to the public once again by closing its six regional offices across the country because of the Liberal budget cuts?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, my information is that the Canadian Human Rights Commission is reducing the number of regional offices and centralizing the services it offers to the Ottawa location.

The commission is a body that operates at arm's length from government. Its resources have been reduced in recent years because of fiscal realities. The way it chooses to respond to that reality is a matter of policy for the commission. If it has concluded that it can provide the services in the way that has been decided on, then that is the way it will proceed.

[*Translation*]

Mr. Jean Landry (Lotbinière, BQ): Mr. Speaker, given that Commissioner Max Yalden has expressed concern over the rise of intolerance in Canada, does the minister not agree that closing these regional offices will undermine the protection of rights in federal jurisdictions?

[*English*]

Hon. Allan Rock (Minister of Justice and Attorney General of Canada, Lib.): Mr. Speaker, I would have thought, based on the speeches and comments made by the chief commissioner, that his primary concern about the lack of tolerance in Canada has not had so much to do with the number of regional offices the commission has, but rather the attitudes in some quarters about human rights themselves.

The commission, which does its work so ably in serving the Canadian public, has had to decide, as we all must, how to meet its needs with diminished resources. It is apparently confident that it can meet those needs with centralized services from Ottawa.

WESTERN GRAIN TRANSPORTATION ACT

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, in an article in the *Western Producer* the minister of agriculture is quoted as saying that farmers who have sold to the Canadian Wheat Board may have to pay the full freight rate for crops delivered before July 31.

The minister is telling farmers that the WGTA benefit is actually ending before the end of the crop year and not next year as promised in the budget. This is unfair.

Can the minister at least tell western Canadian farmers by what date they must deliver their grain to receive the Crow benefit?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, when it comes to the termination of subsidy programs, obviously it is necessary to pick a date on which the subsidy terminates and after which payments will no longer be made.

In the grains industry in Canada, the key date in terms of the crop year is August 1, 1995. It is on August 1, 1995 that the subsidy will come to an end.

Mr. Leon E. Benoit (Vegreville, Ref.): Mr. Speaker, farmers get hit with the loss of the Crow benefit. Then they suffer more losses because of the rail strike and the other strikes. Now they cannot even be certain about which grains shipped in this crop year will be covered by the Crow benefit.

I wonder if there is anything the minister can tell farmers for sure. Is the minister telling me that he cannot give them a certain, definite date by which they must deliver grain in order to receive the Crow benefit?

Hon. Ralph E. Goodale (Minister of Agriculture and Agri-Food, Lib.): Mr. Speaker, obviously the hon. gentleman does not understand how the crop year works.

Many events flow through the normal production season. It has always been August 1 of any given year on which the crop year ends and the next crop year begins while deliveries go on both before and after that date. One date must be chosen to make a determination when certain events will occur. We have picked August 1, 1995 as the only logical date that makes sense.

In the hon. gentleman's reference with respect to the labour dispute that was settled a week ago by legislation, it might have been a little more helpful had the hon. gentleman been here to vote.

Some hon. members: Oh, oh.

• (1500)

The Speaker: That last statement was clearly out of order. I ask the hon. minister to please withdraw it.

Mr. Goodale: Mr. Speaker, I would be happy to withdraw the remark if it offends the Reform Party.

THE ENVIRONMENT

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Mr. Speaker, the federal government has representatives in Berlin today to engage in more talk about the need to improve the way that we as nations respond to the world's growing environmental crisis. At the same time here in Canada the media is speculating about the possible dismantling of Environment Canada because the department has become ineffective in dealing with our own domestic environmental problems.

Can the government confirm today that it will stand with the same political will to strengthen the federal role on domestic environmental issues as it has shown in the defence of turbot conservation and in support of the country's well–meaning but nonetheless meaningless position at the Berlin conference?

Hon. Diane Marleau (Minister of Health, Lib.): Mr. Speaker, the hon. Minister of the Environment, the Deputy Prime Minister, is attending the conference in Berlin. Members can rest assured that she will honourably represent this government as she is wont to do in her inimitable fashion. She is a very strong representative for us in Berlin.

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PEARSON INTERNATIONAL AIRPORT

Hon. Jean J. Charest (Sherbrooke, PC): Mr. Speaker, my question is for the Prime Minister. It concerns an issue that he raised himself during question period about people being presumed innocent until they are found guilty.

My question concerns the Pearson airport affair and the fact that during the election campaign on this very matter the Prime Minister said: "The people have a right to know all the facts". Since then we have found that there is no finding of fact whatsoever to support any wrongdoing. We have since learned that he has had a personal involvement.

I would like to know from the Prime Minister and the government whether or not they will hold a public inquiry on this whole matter.

Hon. Douglas Young (Minister of Transport, Lib.): Mr. Speaker, I regret very much that the hon. leader of the fifth party has not seen fit to recognize the fact that the Prime Minister stood in this House and denied categorically that he was involved in any discussions relating to Pearson and that deal. That was substantiated by a lawyer who allegedly had been present when such a discussion was allegedly to have taken place.

With respect to Pearson and in response to the hon. gentleman's question, anybody who does not think there is something wrong with the Pearson deal would have had to be a member of the Mulroney cabinet.

PRESENCE IN THE GALLERY

The Speaker: I would like to draw members' attention to the presence in the gallery of the hon. Senator Michael Beahan, President of the Senate of Australia, and his fellow parliamentarians who are visiting us.

Some hon. members: Hear, hear.

The Speaker: Also, colleagues, today is a rather special day for 23 remarkable young Canadians. They are with us as guests of the House, of the National Capital Commission and the surrounding area.

[*Translation*]

These young Canadians have distinguished themselves through their talent, their determination and their achievements.

[*English*]

They are the winners of the 1995 YTV Achievement Awards.

Some hon. members: Hear, hear.

ROUTINE PROCEEDINGS

● (1505)

[*Translation*]

GOVERNMENT RESPONSE TO PETITIONS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, pursuant to Standing Order 36(8), I have the honour to table, in both official languages, the government's response to 16 petitions.

* * *

[*English*]

COMMITTEES OF THE HOUSE

PROCEDURE AND HOUSE AFFAIRS

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, I have the honour to present the 71st report of the Standing Committee on Procedure and House Affairs regarding the associate membership of the Standing Committee on Foreign Affairs and International Trade.

[*Translation*]

Madam Speaker, with the consent of the House and the support of the Chief Government Whip, I move that the 71st report of the Standing Committee on Procedure and House Affairs, tabled in the House today, be concurred in.

(Motion agreed to.)

[*English*]

PETITIONS

HUMAN RIGHTS

Mr. Dan McTeague (Ontario, Lib.): Madam Speaker, pursuant to Standing Order 36, I am pleased to present a petition signed by 25 members of my riding. They call upon Parliament to oppose any amendments to the Canadian Human Rights Act or to the Canadian Charter of Rights and Freedoms which provide for the inclusion of the phrase sexual orientation.

ABUSE AND VIOLENCE

Mr. Ronald J. Duhamel (St. Boniface, Lib.): Madam Speaker, these petitioners are concerned with the amount of violence and abuse in our society. They point out that violence and abuse in the media are of particular concern to them and to the people whom they know, particularly as it affects younger children. They are concerned about all types of abuse and violence.

They ask the government to ensure that the CRTC takes the necessary measures in order to reduce it and if possible to eliminate it. They point out that often what happens counters what it is they try to do in raising their families. They do appreciate some of the recent initiatives undertaken by the CRTC and they want to applaud those.

GUN CONTROL

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Madam Speaker, pursuant to Standing Order 36, I am pleased to present four petitions containing over 1,000 names.

The first one is from Mr. Kralkay of Prince George, B.C. The second one is from Mr. Hackman and others of Prince George, B.C. The third one is from Mr. Carvell of Houston, B.C. in my riding. The fourth one is from the Fort Trap and Handgun Club in Fort St. James which is in Prince George—Bulkley Valley riding as well.

These petitions and the 1,000 names contained therein request that Parliament support laws that will severely punish all violent criminals who use weapons in the commission of a crime. They request also that Parliament support new Criminal Code firearms control provisions that recognize and protect the rights of law–abiding citizens to own and use recreational firearms.

They request the support of legislation that will repeal and modify existing gun control laws which have not improved public safety, have proven not to be cost effective, or have proven to be overly complex so as to be ineffective or unenforceable.

I personally support these petitions 100 per cent.

• (1510)

HUMAN RIGHTS

Mr. John Murphy (Annapolis Valley—Hants, Lib.): Madam Speaker, I rise today to present a petition signed by 37 constituents of my riding of Annapolis Valley—Hants.

This petition calls on Parliament not to amend the Canadian Human Rights Act or the charter of rights and freedoms to indicate societal approval of same sex relationships, including amending the Canadian Human Rights Code to include in the prohibited grounds of discrimination the phrase sexual orientation.

Mr. Bob Mills (Red Deer, Ref.): Madam Speaker, I would like to present two petitions today. The petitions are signed by constituents of the riding of Red Deer.

In the first petition, the citizens express their disapproval of special privileges being extended to same sex relationships and the inclusion of the phrase sexual orientation in the Canadian Human Rights Act. Therefore, the petitioners humbly pray and request that Parliament oppose any amendments to the Canadian Human Rights Act.

GUN CONTROL

Mr. Bob Mills (Red Deer, Ref.): Madam Speaker, the second petition is signed by 257 constituents.

The petitioners humbly pray that Parliament support laws that will severely punish all violent criminals who use weapons in the commission of crimes and that Parliament support legislation that will repeal and modify existing gun control laws which have not improved public safety or have not proven to be cost effective.

LEONARD PELTIER

Mr. Peter Adams (Peterborough, Lib.): Madam Speaker, I have two petitions concerning the extradition of Leonard Peltier.

The first petition notes that at the time of Leonard Peltier's extradition from Canada to the United States, the information provided to the Canadian government regarding Mr. Peltier's case was fabricated by the U.S. authorities. Since that time, new information has emerged which indicates that Leonard Peltier was framed for a crime he did not commit and for which he has spent the last 18 years in prison. Key evidence was suppressed, as found out under the freedom of information act. Perjury was rampant throughout the trial and the key witness, Myrtle Poor Bear, recanted her evidence publicly.

Therefore, the petitioners request that Parliament lobby the U.S. government for Mr. Peltier's return to Canada.

Madam Speaker, the second petition is similar to the first.

It asserts that Leonard Peltier is innocent but still remains in prison after 18 years. Under the U.S. freedom of information laws it was found that the FBI had withheld certain evidence which would have been helpful to Mr. Peltier's case. At Mr. Peltier's first appeal in 1986 the court concluded that his defence at the trial had been hampered by misconduct and perjury.

Therefore, the petitioners request that Parliament lobby and advocate on behalf of Mr. Peltier to obtain a prison transfer to Canada.

DANGEROUS OFFENDERS

Mr. Nelson Riis (Kamloops, NDP): Madam Speaker, it is an honour to present a petition called the Melanie Carpenter petition which includes another installation of a few thousand names.

The petitioners believe that many violent offenders and sex offenders are being paroled prematurely or are being released without proper treatment and rehabilitation. They also believe that those convicted of dangerous and sexual offences should remain incarcerated until they have successfully undergone treatment and can demonstrate unequivocally that they have been completely rehabilitated.

The petitioners ask the Minister of Justice and the Government of Canada to take whatever steps are necessary to amend Canada's Criminal Code and the parole system to ensure the safety and peace of our neighbourhoods.

HUMAN RIGHTS

Mr. Leonard Hopkins (Renfrew—Nipissing—Pembroke, Lib.): Madam Speaker, I have two petitions.

Several citizens of Canada state that because the inclusion of the phrase sexual orientation in the Canadian Human Rights Act will provide certain groups with special status, rights and privileges, and because the inclusion will infringe on the historic rights of Canadians such as freedom of religion, conscience, expression and association, they petition and call upon Parliament to oppose any amendments to the Canadian Human Rights Act or the Canadian Charter of Rights and Freedoms which would provide for the inclusion of the phrase sexual orientation.

* * *

QUESTIONS ON THE ORDER PAPER

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, the following question will be answered today: No. 105.

[Text]

Question No. 105—**Mr. Cummins:**

With regard to the mandatory use of mefloquine by Canadian forces personnel, (*a*) what clinical or field studies did the Department of National Defence undertake or fund into the possible adverse effects including the impairment of judgment of the mandatory use of mefloquine by Canadian forces while in Somalia, both while the personnel were in Somalia and on their return to Canada, (*b*) what clinical or field studies did the Department of National Defence undertake or fund into the possible adverse effects including the impairment of judgment of the mandatory use of mefloquine by Canadian forces while in Rwanda, both while the personnel were in Rwanda and on their return to Canada, (*c*) what amount of alcohol was available on a daily basis to Canadian forces personnel in Somalia and later in Rwanda who had received the mandatory dosage of mefloquine, what adjustments or precautions were made to the dosages by those administering the drug and what advice was given to persons required to take mefloquine who might be expected to use alcohol during their tour of duty, (*d*) what screening and other precautions were taken by those administering mefloquine, and what advice was given to Canadian forces personnel in regard to self–administered recreational body building, locally grown stimulants and other such drugs that it could reasonably be expected that personnel might be taking concurrent to their usage of mefloquine, (*e*) what ranks and occupations in the Canadian forces were not subject to the mandatory use of mefloquine in either Somalia or Rwanda and why were they not subject to the mandatory requirement to take mefloquine and (*f*) why is the effective dosage of mefloquine taken by Canadian forces stronger than the equivalent dosage given U.S. military personnel and what are the possible adverse effects of such stronger dosages?

Mr. Fred Mifflin (Parliamentary Secretary to Minister of National Defence and Minister of Veterans Affairs, Lib.): (a) None was conducted and none was deemed necessary.

(b) None was conducted and none was deemed necessary.

(c) The specific policy regarding the consumption of alcohol is left to the field commander who determines the amount of alcohol permitted per day during deployment. In Somalia, members were not permitted any alcohol during the first six weeks of their deployment, following which each member was allowed two beers per day, except on special occasions where no restrictions were imposed, e.g. regimental birthday. In Rwanda, members are permitted two beers per day for six days of the week with no alcohol one day a week. The field commander may remove these restrictions for special occasions.

Until quite recently, there was no scientific evidence that personnel taking mefloquine were at an enhanced risk of a serious adverse interation when drinking alcohol. Further, the prescribing information for mefloquine does not mention concern about such an interaction. Thus, when Canadian forces members were deployed to Somalia and Rwanda, there was no evident need to warn those taking mefloquine about an interaction with alcohol. However, a Canadian medical journal has recently, on February 15, 1995, reported a single case of a likely serious interaction between mefloquine and copious alcohol ingestion which resulted in a temporary psychotic state in the patient. This is the first reasonably documented reported case among the millions of persons who have taken mefloquine worldwide in the last decade, many of whom likely drank alcohol, even substantial quantities, hence the risk of such an interaction would seem quite small. In light of this report, it is felt by the Surgeon General that it is prudent specifically to caution members taking mefloquine against the concurrent excessive use of alcohol; the necessary direction is being drawn up. Reducing the mefloquine dosage to minimize potential

mefloquine/alcohol interaction was not and is not recommended since this would enhance the risk of getting malaria.

It is important to state that responsible use of alcohol is already the expected norm in the Canadian forces for other substantial reasons, e.g., injury control, whether inside or outside Canada.

(d) The usual precautions for the prescribing of mefloquine were employed. The Canadian forces have an education based drug and alcohol prevention program, DAPP, to which personnel are to be exposed annually. The Canadian airborne regiment had a DAPP session for the junior non–commissioned members in the fall of 1992 and for senior non–commissioned members and officers before departure to Somalia. At the time of deployment, there was no published literature that indicated an adverse interaction between recreational drugs and mefloquine; therefore, specific advice was not given to those who might use recreational drugs when taking mefloquine, although it is standard policy that recreational drugs are not to be taken by Canadian forces members.

(e) There has been a longstanding caution against using mefloquine among persons for whom dizziness might be particularly detrimental. While there is no evidence that this caution is necessary, out of prudence, the Canadian forces follows it and mefloquine was not and is not used in certain occupational groups, primarily pilots and divers. Hence, in Somalia and Rwanda, pilots and divers were not to be prescribed mefloquine.

(f) Mefloquine marketed in Canada is the European formulation which has 250 mg of base drug. The U.S. formulation has 228 mg of base drug, or 9 per cent less active drug. Medical studies have been done on both formulations with similar conclusions. It is unlikely that the minimally lower dose in the U.S. preparation is of practical significance.

[*English*]

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QUESTION PASSED AS ORDER FOR RETURN

Mr. Peter Milliken (Parliamentary Secretary to Leader of the Government in the House of Commons, Lib.): Madam Speaker, if Question No. 77 could be made an Order for Return, the return would be tabled immediately. For the record, I note that Question No. 77 is a starred question.

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

[*Text*]

*Question No. 77—**Mrs. Lalonde:**

For each program respecting a component of unemployment insurance, employment, child tax benefit, children's special allowances, negotiation and administration of international social security agreements, income security and social programs, namely EIC 1 to EIC 45, HWC 26 to HWC 42 and LAB 112, what have been the (*a*) annual budgets and (*b*) administrative costs for each province and territory since 1989?

Return tabled.

[*English*]

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

The Acting Speaker (Mrs. Maheu): Is that agreed?

Some hon. members: Agreed.

GOVERNMENT ORDERS

• (1515)

[*English*]

BUDGET IMPLEMENTATION ACT, 1995

The House resumed consideration of the motion that Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, be read the second time and referred to a committee; and of the amendment.

Mr. Derek Wells (South Shore, Lib.): Madam Speaker, I am pleased to have the opportunity to speak on Bill C–76, an act to implement certain provisions of the 1995 budget. I would like, however, to preface my discussion on the specific aspects of this bill with a few general comments about the budget.

The Liberal agenda with regard to deficit reduction was clearly outlined in the red book and has been reiterated by the Minister of Finance many times over the past 18 months.

Unlike the Reform Party we have not made unrealistic promises to reduce the deficit overnight. Rather we have set, and will continue to set, realistic goals until such time as the deficit is eliminated.

There is no denying that some of the measures announced in this budget are tough. However, the reality is that the time has come to make these changes. The Liberal Party campaigned on providing good government, and this budget underscores that commitment by taking on the challenge of reducing the deficit and modernizing government. I acknowledge that adjustments will have to be made, but I believe that this will be for the long term good of this country.

Personally, I was relieved to note that the cuts announced in the budget are fairly uniform from region to region. Unlike last year, for instance, when I had to deal with the closure of two Canadian forces stations in my riding, Atlantic Canada has not received a disproportionate share of the cuts.

That said, I would now like to concentrate on the bill before us. Where possible I would like to discuss the various aspects of this legislation by focusing on the effect that these measures will have on the province of Nova Scotia and, in particular, my riding of South Shore.

One of the most important facets of this legislation is the establishment of the Canadian health and social transfer. This initiative, which converts established programs financing for health and education and the Canada assistance plan into a single consolidated block transfer, is a fundamental structural change that will result in decisive deficit reduction. The result will be a transfer system that is fiscally sustainable and more effective in meeting contemporary needs.

This approach provides real benefits to both levels of government and will reduce a number of longstanding irritants. For example, the provinces will be free to pursue their own innovative approaches to social security reform and will have more control over how they meet their priorities. They will no longer be subject to rules stipulating that certain expenditures are eligible for cost sharing and others are not. As well, the expense of administering cost sharing will be eliminated.

Some people have expressed concern that this change in funding methods will result in the disintegration of national standards. This is simply not so. The transfer will not be totally unconditional, nor, as the Minister of Finance stated in his budget speech, does flexibility mean a free for all. The principles of the Canada Health Act will continue to be enforced. There will be no change in the principle that provinces must provide social assistance without minimum residency requirements. Rather a set of shared principles and objectives will be developed in concert with the provinces to underly the new transfer.

It is also important to note that the equalization program will remain intact and will continue to grow. This ensures that provinces like Nova Scotia will have the ability to provide all Canadians with a reasonably comparable level of service regardless of where they live. Overall in the Atlantic provinces equalization growth offsets Canada health and social transfer reductions so that overall transfers will increase slightly to these provinces. In fact, in Nova Scotia the percentage change in provincial transfer entitlements has increased by .09 per cent for 1996–97.

The next facet of this bill that I would like to cover is the elimination of the Atlantic freight subsidies under the Atlantic Region Freight Assistance Act and the Maritime Freight Rates Act.

• (1520)

These subsidies were provided to rail, trucking and marine companies to defray the cost of shipping goods within the Atlantic region and to central Canadian markets. However, a recent analysis of this program has shown that they are no longer serving their original purpose.

For instance, almost half of the $99 million spent annually goes to ship goods within provincial boundaries. High tariff barriers that restricted access by regional producers to markets in the United States and abroad no longer exist.

Shipments to central Canada represent a small and declining portion of the Atlantic region's market. In fact, only 13 per cent of goods produced are sent to central Canada. Goods are also being shipped further than need be in order to collect the subsidy.

The elimination of this tariff will lead to increased efficiency and, very importantly, will reduce the burden on taxpayers and shift the cost of providing transportation onto those who use and directly benefit from the system.

I was pleased to note that Transport Canada will be providing $326 million in transitional funding to the Atlantic provinces to alleviate shipper hardship, upgrade highways and transportation infrastructure on a cost shared basis.

By turning away from broad subsidization and toward focused and responsible investment in infrastructure and technology, Transport Canada is helping to build an integrated and affordable national transportation system, something that will benefit all of Atlantic Canada rather than just one specific sector.

Bill C–76 also contains amendments to the workforce adjustment directive, the Public Service Employment Act and the Public Sector Compensation Act that will facilitate a fair and orderly downsizing of the public service.

It is estimated that about 45,000 federal public service jobs will be affected by the measures implemented in this budget as a result of program review. Some of these jobs will be transferred to the private sector. Other reductions will be realized through attrition, voluntary departures and layoffs. The impact that this will have on the Atlantic region has not yet been determined, but all indications are that a large portion of these cuts will be made in the national capital region. This is due to the fact that approximately one–third of the total public service workforce is located in this region.

These cuts are the unfortunate part of the transition from a public service that tries to be all things to all people to one that offers Canadians a more limited number of high value programs and services. The approach taken by previous governments of

implementing across the board cuts is no longer a viable solution.

This government is at the point where such a measure would only result in good programs being penalized and working conditions suffering. For too long federal employees at every level have had to contend with heavier workloads and fewer resources. It is now time for government to change, to streamline its operations. As was noted in the 1994 budget announcement, it is time to ensure that government's diminished resources are directed to the highest priority requirements, to those areas where the federal government is best placed to deliver services.

As a result of this review, it has become necessary for the government to enact changes to the various pieces of legislation that govern the public service. These changes are necessary to achieve our fiscal objectives.

Over the next three years there will be major changes to the way government services are delivered. As a result, some temporary measures are required to ensure that where there is no work there is no pay.

Another measure in this legislation will see the termination of payments under the Public Utilities Income Tax Transfer Act. This program involves the federal government transferring to the provinces and territories 95 per cent of federal income taxes paid by privately owned electrical and gas utilities. In turn, the provinces were to transfer this amount to privately owned utilities. Nova Scotia is the only province that actually utilizes the transfer as it was intended, and I anticipate that Nova Scotia Power and its customers throughout the province will bear the brunt of this budget measure.

I am against this particular cut because it means that power bills in Nova Scotia will increase. However, I realize that other provinces are going to have to deal with the loss of this transfer money as well in one way or another.

In closing, I would like to reiterate my overall support for the 1995 budget. I am very pleased to be part of a government that has the will and determination to tackle this country's deficit problem. It is about time that concrete action was taken.

• (1525)

[*Translation*]

Mr. Gilbert Fillion (Chicoutimi, BQ): Madam Speaker, unlike the members opposite, Bill C–76 leaves me with a bitter taste. I find it hard to believe that the Minister of Finance does not realize the impact, for the country as a whole, of this bill designed to implement major changes, particularly as regards those transfers to the provinces which relate to social, health and post–secondary programs, and also to the Canada Assistance Plan. The mere mention of these programs makes you realize that the government means business.

Over the next three years, the Liberal government will cut $7 billion in the transfers to the provinces. What should Quebec expect? In 1995, the reductions in transfers to Quebec will be minimal, for the obvious reason that a referendum is expected this year. The government does not want to make waves in Quebec with this budget. However, when you see how generous the federal government is with Quebec, you realize that, day after day, it is implementing several strategies, instead of governing and creating jobs, as it promised to do. In fact, the Liberals were elected precisely because they promised to create jobs. But, right now, they are only interested in implementing their strategy. In 1996–97, however, things will change drastically; they will get much tougher for Quebec, which will have to make do with a $650 million shortfall.

It was recently said in Toronto that Canada had to make Quebecers suffer. That process has started. The government is starting to make Quebecers suffer with cuts in the transfers, and the process will continue until 1997–98. Quebecers are told that they will have to negotiate. How? Time will tell. Quebec has been trying to negotiate with this Parliament for decades, but we have never managed to agree.

Consequently, I fail to see why the federal government would want to renegotiate the issue of transfers to the provinces. The government willingly complies with the demands of the rich provinces, particularly Ontario, British Columbia and Alberta.

Is the government considering splitting the resource envelope for the main transfers by using as a criterion the provinces' respective populations? If so, Quebec would have to absorb 41.7 per cent of the cuts to transfers. This would mean a shortfall of close to $2 billion for Quebec, between 1997 and 1998. The federal government is indeed deliberately trying to make Quebec suffer. What really hurts though is that it is Quebecers who do most of the damage, and I am thinking in particular of the Minister of Finance, the Prime Minister, and the Minister of Labour.

• (1530)

Transfer payments to the provinces are not a bonus. These are transfers of tax revenues paid for by the workers in each province.

When Quebec finally patriates the $30 billion in taxes that the people of Quebec pay the federal government every year, then we will have all the resources we need to govern ourselves.

As a result of the federal government's cuts in transfer payments to the provinces between 1982 and 1993, taxes paid by Quebecers to the federal government increased 143 per cent. Meanwhile, federal transfer payments increased only 50 per cent.

As usual, these cuts will come down hardest on the most vulnerable members of our society. They will cut the federal government's share of financing for social programs, from 37.8 per cent to 28.5 per cent within four years. Is this just another way to hit Quebec? Cuts and more cuts, but they never refer to putting people back to work in this country. And working at well paid jobs, so they can work with dignity.

As a result of this budget, the Saguenay—Lac–Saint–Jean area lost 285 jobs at the Canadian Forces base in Bagotville, although Quebec has only 13 per cent of Canada's defence infrastructure and staff. And it seems that an experimental farm in Normandin is either going to be closed down or lose a number of jobs. There is still a great deal of uncertainty among employees at Radio–Canada in Chicoutimi and at the National Film Board. However, it is common knowledge that this area was hit hard by the recession and unemployment. For several years, it has had the highest unemployment rate. I do not think my region and my riding will be able to overcome these problems if we stay within this system.

Do hon. members not realize that by putting the unemployed and welfare recipients back to work, we will increase tax revenues, and that these tax revenues will in the end help Canada out of its precarious financial position?

And by the way, as we put people back to work, there is another way to save a lot of money: eliminate duplication and overlap of services in many departments, including the Department of Health and the Department of Human Resources Development, since the provinces already have similar departments.

I would say that 90 per cent of the people who come to see me at my riding office are at their wits' end. They are no longer eligible for unemployment insurance, so they are on welfare. We have no way of helping them to get out of this morass. And I do not think that the bill before the House today is the answer to all these problems.

• (1535)

I think we should take the surplus in the Unemployment Insurance Fund, give it to the provinces and let them select and conduct the courses and provide training that would be appropriate for these people. I am sure that everyone would benefit.

[*English*]

Mrs. Anna Terrana (Vancouver East, Lib.): Madam Speaker, I am pleased to have the opportunity to speak to the budget for several reasons, one being I believe it addresses Canada's present needs and prepares us well for tomorrow's challenges.

The budget recognizes the need to remain within our fiscal parameters. It recognizes the fiscal realities with which we are faced and it reminds us that we as Canadians cherish certain fundamental values and principles.

The other reason is I have a number of comments to make.

[*Translation*]

In the election campaign, the Liberal Party promised the deficit would be reduced to 3 per cent of the gross domestic product by the end of the 1996–97 fiscal year. This required drastic measures. Canadians have told us that they do not want tax increases and that they want cuts in government spending.

I think this is what we have done. However, if government spending is to be cut, it means services have to be cut. I worry about this, even though the financial world is satisfied.

[*English*]

In nationwide budget consultations Canadians told us they wanted to be treated fairly and equitably. They wanted the government to reassess its priorities and they were prepared to undertake certain measures and see certain reforms if they were to pave the road and build the foundations for a stronger and more prosperous Canada.

Vancouver East is no different in this regard. In a series of meetings with my constituents, one message was recurrent. In defining the role of government and reviewing Canada's problems and Canada's delivery of services we should be fair and equitable. The residents of Vancouver East wanted to see by and large a fairer tax system. The budget improves tax fairness.

Large corporations are expected to make a larger contribution to help bring the deficit down. Both the large corporations tax rate and the corporate surtax were increased by 12.5 per cent. The capital tax on banks and similar large deposit taking institutions will also be temporarily increased, but we must do better. At the same time the government did not increase personal income tax for the second year in a row.

[*Translation*]

In an attempt to spread the cuts among Canadians, a lot of programs have been eliminated. This concerns me a lot. It concerns me particularly because women, immigrants, children and poor families need these programs.

Lots of families in my riding of Vancouver East are in crisis. Lots of children in my riding will not complete their education. They are caught in a cycle of poverty they cannot escape. These children need help with programs that provide encouragement. The announced cuts could have dire consequences.

[*English*]

The residents of Vancouver East told me they do not want an erosion of our social programs or the government to abandon its traditional role in preserving social programs.

I support the government's continued efforts to encourage and instil in individuals a greater sense of self–confidence and independence. The government recognizes the need to protect the weak and the needy, those who are unable to care for themselves. We recognize there can be new partnerships that can result in greater efficiencies and greater responsiveness.

The provinces will now have greater ability to design programs more suitable and appropriate rather than being bound by rigid rules. Nonetheless, there will continue to be national standards for the new Canada social transfers, and the provinces will be required to provide social assistance without imposing any minimum residency requirement.

[*Translation*]

Naturally the new system is not perfect. I fear that we will not be able to ensure all the provinces apply the programs uniformly, and, as a result, social programs could be seriously eroded.

However, if these measures are not taken, we could find ourselves, in a few years, completely without social programs. The change in transfers will come into effect next year. The federal government is currently negotiating changes with the provinces in the hopes that the provinces will administer the social programs better, because they are more attuned to the needs of their population. These changes represent cuts in transfer payments of $2.5 billion in 1996–97 and $4.5 billion in 1997–98.

• (1540)

Despite these figures, the cuts to the provinces are not as deep as the cuts at the federal level. We have to work together to ensure that those who really need assistance are not abandoned.

[*English*]

As for immigration, we all know immigrants have played an important role in the building of our country and in the building of Vancouver East. Immigration has been a success story in Canada and doubtless Canada has benefited from the enormous contributions of immigrants to Canada. Immigrants have helped to build our nation and they will continue to help build our future.

Vancouver East is evidence of the outstanding contributions of immigrants and is home to a cross–section of numerous ethnic cultures. Vancouver East is a culturally diverse riding, with half of the riding being comprised of immigrants, the largest group being the Chinese. Less than one–third of the residents of Vancouver East were born in British Columbia, one of the lowest figures in B.C. We must continue to encourage immigration.

Many individuals have communicated to me that effective integration of newcomers is essential to their success. On the other hand, some have noted the substantial cost of the programs and the need for everyone to live up to their responsibilities.

A clear intention of the budget is to reduce the federal deficit. For the Department of Citizenship and Immigration this means re–examining its priorities. In the nationwide consultations conducted by the Department of Citizenship and Immigration the public stated immigration, refugee and citizenship programs were valid and necessary for the development of Canada and that there was little room for cuts to expenditures.

More recently under both the budget and program review we have seen the implementation of cost saving measures and a shift in some of the cost burden from the taxpayer to those who benefit directly from our programs and services, including the introduction of a new right of landing fee set at $975 per adult over 19 years of age.

I greatly hope the new fee will be fair and equitable in its practical application, that it will not unduly restrict or even remotely discourage immigration to our country, however alluring and magnificent our country may be. Granted, the program provides a loan option for those individuals less equipped to meet the new fee. However, we must be flexible and we must be accommodating.

What if individuals come from deeply impoverished nations where opportunity of education is unavailable to all and where the skills and training required to function and be successful in our society are lacking? The loan option is said to be based on one's ability to repay the loan within a certain time period. How can these individuals without the necessary tools to acquire meaningful employment be realistically expected to repay the loans within a three–year period?

I hope the requirement to repay the loans will be relaxed under certain circumstances to allow individuals sufficient time to develop the skills and training to allow them to find employment or the means by which they might better be able to repay the loan while at the same time independently maintain a decent standard of living.

[*Translation*]

The last measure I would like to discuss is Canada's health care system. The principles set forth in our health act must be defended and maintained. They are: universality, comprehensiveness, flexibility, portability and public administration.

In the budget speech, we said, and I quote: "For this government, those are fundamental". We must continue to protect them, as they are. The government said it would abide by these principles and it will.

[*English*]

I believe my task is to make sure the poor do not become poorer but are helped to get out of poverty, that women can realize themselves and can be assisted in their endeavours, that immigrants continue to be accepted and respected, and that families be helped through difficult times and stressful situations. That is a mammoth task which can be tackled only if I can count on my constituents and on all Canadians. I am looking forward to working with them for a better future. I know they are willing to work with me.

Overall the budget is a success. We must be vigilant in our commitment to supporting the pillars of liberalism: freedom of the individual, equality of opportunity and compassion for those who have less. I am very committed to these fundamental principles and I know all of my colleagues are as well. Let us work together.

• (1545)

Mrs. Sharon Hayes (Port Moody—Coquitlam, Ref.): Madam Speaker, I rise today to speak on Bill C–76, the budget implementation act, which is intended to legislate into law certain aspects of the government's budget tabled in February. I would like to focus my remarks today on how this bill and budget impacts upon Canadians.

"Government really does know what is best for you, rather than what you know yourself", seems to be the message of this government. Where is its trust in Canadians? Where is its confidence in individuals, families and communities to make their own best choices? I will attempt to illustrate the reasons for my concerns in the next few moments.

I want to review the four principles the government put forward in its budget. First, the government says it must get its own fiscal house in order and focus on cutting spending, not raising taxes. Before this budget was presented, I heard Canadians say they were taxed to death. I heard Canadians say they wanted no new taxes. Well, guess what? In this budget the government gave them new tax.

The second principle is that the priorities of this country must reflect the needs of the people. Canadians need an economic plan that promotes jobs and growth. I do not think the government gets it yet, that government does not create real jobs; individuals create real jobs. The money left in the hands of taxpayers will create real and lasting jobs.

The third principle it put forward was frugality, that every tax dollar counts. I ask this government, does that include the tax dollars that are going to go toward your pensions? Does that make those tax dollars count, obscene pensions by this government?

The fourth principle is that we must be fair among regions and among Canadians. Again, I take that point. Is an illegal pension plan for MPs fair to Canadians?

I would like to add a fifth item to this list of principles, and I wish the principles had been followed. This principle is one to add. We affirm the value and dignity of the individual person and the importance of strengthening and protecting the family unit as essential to the well–being of individuals in society.

The Reform Party has recognized the importance of family as a principle since its very inception. The Reform Party has established a task force on the family, which I chair, that is developing policies that specifically address issues that directly affect the family. This government must shift its focus and seriously consider the impact of the policies, both in its budget and otherwise, and how they apply to the Canadian family.

First, I would like to take a look at the debt–deficit circumstances of our country. This government, as with previous governments, is pursuing a reckless fiscal policy that sees our national debt mushrooming to alarming proportions. The total national debt as of today, April 3, 1995, stands at $540 billion plus.

The government has not laid out its plans to achieve a balanced budget yet. It has only set a target of 3 per cent of GNP for a deficit to GNP ratio. This target is totally unrealistic and duplicitous. Our debt continues to grow with an ever present deficit. The government's own statistics in its budget documents show that since it has been in power the debt will mushroom to $508 billion in 1993–94 and to a projected $603 billion in 1996–97, all other things being equal, $100 billion more in debt within its mandate, and it considers this a wise budget.

The percentage of net public debt to GDP will increase from 71.4 per cent in 1993–94 to 73.4 per cent in 1996–97. World standards would say that is completely unacceptable. The interest payments on that debt have increased from $38 billion in 1993–94 to a projected amount of over $50 billion in 1996–97.

I go back to my original statement: What do these statistics mean to the Canadian family? First, it means Canadian families are overtaxed. They have less disposable income because of their high level of taxation, and that makes a virtual necessity for two income earners to support a household. This government is driving two parents out of the home to make a living.

As Statistics Canada recently reported, family income has actually declined in real terms since 1989; that is, from $56,000 to $52,000 in real 1993 dollars. That is a decline of 7.5 per cent from 1989 to 1993. Meanwhile, the number of dual income families has been forced to increase. The decline in family incomes from 1992–93 was 2.6 per cent alone. In the meantime, day care demands increased thanks to taxation and government policy.

• (1550)

The second thing these debt and deficit statistics mean is that money will not be available for social programs that Canadian families require.

The interest on the debt is consuming one–third of our tax dollars. This means that with increasing debt and added deficits, less and less money will be available to fund our needed social programs. The government claims to be protecting the interests of Canadians and their families. Yet even in this budget, under the new Canada social transfers, block transfers to the provinces will actually decrease from $26.9 billion in 1996–97 to $25 billion in 1997–98.

What is needed? A fiscal remedy is needed. The focus of government spending on need and relief for the Canadian taxpayer and family is needed. A whole new approach and focus is needed by this government. Canadian families and individuals must be empowered to create opportunities for themselves and for their future. The government must get off the backs of Canadians. This is the Reform Party's approach.

In February, before the government tabled its budget, our party released its taxpayers' budget, the Reform Party's plan to balance the federal budget and provide social and economic security for the 21st century. This unprecedented action of presenting a budget before the federal budget combines both a remedy and relief.

First, this budget offers a clear solution for our fiscal problems and the debt–deficit crisis. This plan includes a balanced budget within the life of this Parliament. A balanced budget will result in a government that lives within its means.

How do we achieve this? With $10 billion in savings from government operations and $15 billion in affordable savings from targeted social programs. The government has not yet released its plan for achieving this vital goal, whereas Reform has, both during the election campaign and now.

It is interesting to note that in Reform's zero in three plan back in the election campaign, we predicted cutbacks of 30,000 in public service positions. This government at that time said absolutely nothing. Now it throws 45,000 public servants out of work and still keeps digging a bigger debt hole. That is not giving the full story to the Canadian people.

Reform, by contrast, reduces government spending honestly and realistically. At the same time, Reform offers a promise of empowerment for Canadian families. We define empowerment as the provision of better tools and increased opportunities for individuals, groups and provinces to improve their own social and economic security. This is relief.

How would Reform empower Canadians and Canadian families? First, the taxpayer protection act, to give the taxpayer a say in how government spends their hard–earned tax dollars. This would say first, that government spending and taxes would have to be balanced over the business cycle. Second, total government spending and taxes could not exceed a constant proportion of national income and could only be increased by extraordinary legislative means. Such an act would prevent the reoccurrence or continuation of our debt–deficit problem, which has plagued government for so many years. It could be somewhat like a taxpayers' rehab centre for a government addicted to overspending. It would force discipline upon the spending addictions of both government and its politicians.

Second, the empowerment of Canadian families would come through reform of our social security programs. Politicians have always worked with the premise that Canadians' personal security needs are best met by government. This has led to a centralized, bureaucratic, expensive system that is insensitive to individual needs. This has ignored both the ability and opportunity of many Canadians to help themselves and others.

Right now total spending on social programs in Canada exceeds $140 billion. That is $18,000 for every family of four in Canada. Reform would suggest that government programs may in fact be the worst way of providing for the social security needs of some of those Canadians.

We would like less government intervention in personal security. We have suggested the RPSP to put the future plans of Canadians in their own hands.

• (1555)

I would also like to see less government intervention in families, where, rather than a national day care program, government rewards and recognizes families for taking care of their own children. We need less, not more government. We need the empowerment of families, communities and local organizations.

Reform has a vision for building a new and better Canada. The security of Canada is not in government but in allowing wise choices to be made by families and individuals in Canada.

Mrs. Eleni Bakopanos (Saint–Denis, Lib.): Madam Speaker, I am pleased to stand in the House of Commons today to speak on Bill C–76. This budget shows once again our commitment to consulting Canadians.

The Minister of Finance has delivered a fair and honest budget. It is a tough budget, some may argue, but the measures introduced are essential if we are to face economic realities and reach our fiscal targets.

[*Translation*]

For the second year in a row, the Liberal government has refused to reduce the deficit at the expense of the Canadian

taxpayer. This budget will allow us to meet our deficit reduction goals without increasing personal income taxes.

This budget illustrates the difficult choices that confronted us when we undertook to revamp federal programs in order to increase efficiency without compromising the priorities of Canadians.

The budget reflects the most thorough review of federal programs ever. Through program review, the government identified $16.9 billion in cuts to programs over the next three years, not including transfers to individuals and to the provinces.

[*English*]

Some additional highlights of this year's budget I would like to highlight are the reform of government programs and procedures to eliminate waste and abuse and ensure value for Canadian taxpayers. We have just completed the largest program review ever initiated.

The second is the move toward a fairer tax system, including tighter rules for tax deferrals, foreign and family trusts, R and D incentives, and higher taxes for corporations and large banks. For too long corporations have been more or less excluded from taxation. This is one step in the right direction in ensuring that everyone bears the burden of this deficit.

Another highlight is the delivery of a new vision of the federal government's role in the economy that includes a reduction in business subsidies by 60 per cent over three years from $3.8 billion in 1994–95 to $1.5 billion in 1997.

At this point I would like to focus the House's attention on one aspect of the budget that unfairly affects many Canadians of Greek origin as well as other veterans. That is the announced changes to the war veterans allowance program that would return this program to its original intent. As a result, the war veterans allowance and related benefits have been discontinued for former members of the resistance. Also, all allied veterans with post–war residency are required to reside in Canada six months out of the year if they wish to continue to receive these benefits.

These changes will affect approximately 2,895 former resistance members in the Montreal region of whom 90 per cent are Canadians of Greek origin.

On March 2, 1992 the War Veterans Allowance Act was amended to remove the right of applicants with service limited to a resistance group to qualify for benefits. However, existing domestic resistance service recipients were to be grandfathered if they maintained their residency in Canada. Moreover, foreign resistance recipients were required to return to Canada and resume residency within one year or risk losing their entitlement to war veterans benefits forever.

More specifically, section 6.1 provided grandfathering to those who qualified on or before March 2, 1992 and would continue for life if they remained residents in Canada. There were approximately 700 resistance claimants who returned to resume residency in Canada. For some this brought on certain hardships: separation from their families residing abroad, resettlement, isolation.

While Canada is the only country in the world to offer such an allowance to members of the resistance, the announced changes will bring on added hardships to all individuals who depend on this source of income.

Many of my constituents have raised concerns about the problem of transferring individuals between the ages of 60 and 65 from one social program to another. To date the government, through the Minister of National Defence and the Minister of Finance, have shown sensitivity and understanding toward this problem, especially regarding those people who are not yet eligible for old age security.

• (1600)

Benefits were initially scheduled to be discontinued about three months after the budget was tabled. However through the interventions of myself and other members of Parliament we have been given the assurance these cuts will not go into effect until August 31, 1995.

I asked how much would the government really save by having a group of persons transferred from one social program to another, from war veterans allowance to welfare, or by having a group, the allied veterans, return to resume residence in Canada. There are about 740 in total living abroad. The average age of allied veterans is 75.

We must compare the social impact of such a move. Would we really save by having these people return to Canada and take advantage of our social programs including health care?

I consider the situation of these individuals as unjust and I made recommendations to the Minister of Finance and the Minister of National Defence on this issue, as have other members of the House.

There has been some concern that benefits are being paid out to persons who are no longer living. Therefore, I and other colleagues have made recommendations that individuals could register with the Canadian embassy in their respective countries.

I appreciate the government's interest in finding a just solution to this problem and thank the Minister of National Defence for agreeing to review this aspect of the program review in light of the difficulties these people will face in returning to Canada.

I will continue to work with many colleagues in the House, the Hellenic Canadian Congress, the veterans associations of the Hellenic community and other concerned parties to see the concerns of these individuals are addressed.

Canada has not forgotten the contributions these veterans made to the preservation of democracy during World War II. It is the only country to offer this type of allowance to former members of the resistance. I am proud that Canada offered this.

The issue of fraudulent claims has also been brought forward as a reason for terminating the allowance. While there may have been certain individuals who took advantage of the generosity in this program, the majority are deserving applicants. The government did not terminate the program because of the few individuals who took advantage of Canada's generosity.

Cost effectiveness was the reason this allowance was terminated. The targets will not be met when we consider the cost to be incurred once these individuals cross over to welfare.

Most significant in the budget is that it marks the beginning of a new era, a new way of managing the federation. It is a simpler, more efficient way that accords with provincial responsibilities to design and deliver key services. Many have seen this move as a move away from traditional Liberalism based on the principle of shared social responsibility.

Over the years successive Liberal governments have shown their commitment to this value through their actions. Many of the laws and policies they enacted remain the basis of our system of social support through which we pool our resources to create programs that benefit all Canadians and help sustain people through difficult times.

We are presently in difficult times. The test for our government will be to rise to the challenge and ensure the announced social program transfers will not jeopardize our standards of universal health care, unemployment insurance, old age security, the Canada assistance plan and the Canada pension plan.

These are part of the Liberal legacy and must remain in place if we are to continue to be the country that is the envy of the world. Poverty remains a growing problem for Canadian society as we try to overcome the economic challenges facing our country.

While the budget does not, as some members of the opposition would like to believe, make its cuts on the backs of our poor, their future must be brighter. Furthermore, the structure of the economy is changing. As a result the family structure is also undergoing changes. There have been enormous increases in single parent families and in families with both parents working and in families living in poverty, as is the case in my riding.

The failed economic and social policies of the Conservative government have left over 4.2 million Canadians living in poverty, of whom 1.2 million are children. Sixty–two per cent of families headed by single mothers are living in poverty with their incomes failing.

The Liberals made a commitment in the red book to work toward greater equality of social conditions among Canadians, to redistribute opportunity more broadly so that many more people have a decent standard of living and can build good lives for themselves and their families, allowing them to live with dignity and respect.

[*Translation*]

We must do everything we can to maintain our social programs at current levels despite expenditure cuts. Like all Canadians, we believe that we must strive to balance the budget. We will achieve this responsibly and realistically, without compromising the gains we have made over the last 16 months in the areas of job creation and economic growth, and without compromising the values and priorities of all Canadians and of the Liberal government.

• (1605)

Mrs. Suzanne Tremblay (Rimouski—Témiscouata, BQ): Madam Speaker, education, health and social assistance come under provincial jurisdiction. Over time, however, Ottawa has gradually encroached on these areas of provincial jurisdiction through its spending powers. The provinces must abide by these standards in order to receive federal funds. In seeking to enforce its national standards, the federal government was compelled to put in place a large public service, thus duplicating the provincial public service.

These expenditures, also known as overlap or duplication, are costing us roughly $1 billion a year at the Department of Health and $1.8 billion a year at the Department of Human Resources Development, at a time when there is so much whining about budget difficulties. Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995, does exactly what its title indicates, that is, allow the government to implement certain measures announced in the finance minister's last budget.

It is crucial that all Quebecers understand this bill, which may appear daunting at first because it deals with financial management links between the federal government and the provinces. These realities are very far removed from our fellow citizens. Quebec men and women have better things to do at supper time than talk about equalization, established programs financing, or the Canada Assistance Plan. It is, however, essential to pay attention because these three programs alone represent transfers to the provinces in the order of $38 billion for 1995–96.

Federal contributions to these programs are falling dramatically and systematically from year to year. According to Quebec's Minister of Finance, "Between 1977 and 1994, the federal government's share of social program funding in Quebec for health, education and social assistance dropped from 47.6 per cent to 37.8 per cent. The finance minister's budget points to a

dramatic decline in the federal share, which would fall to 28.5 per cent by 1997–98".

It is essential that citizens pay attention to equalization, established programs financing and the Canada Assistance Plan, because it is there that the federal government is hiding a large part of its cuts. Some refer to this as the offloading of the federal deficit onto the provinces. These cuts will cost Quebec taxpayers close to $2 billion in 1997–98.

It is essential for the men and women of Quebec to understand how these programs work and the changes proposed today through Bill C–76, because this bill is the basic element of the federal proposal in the referendum debate.

Quebecers may have heard the Minister of Foreign Affairs speak of renewed federalism before the budget was tabled. He travelled throughout Quebec saying, "You just wait and see, after the budget is tabled, we will talk about a new Canada". Others may have heard some federal spokespersons talk about decentralized federalism. The people must be told that these proposals are based on the bill before us today and that is why I urge them to pay particular attention to this bill.

The finance minister's budget wants to impose on us what we rejected in the 1992 referendum. Let us have a closer look at the federal government's proposal as compared to the sovereignty option offered by the Quebec government to its people.

• (1610)

To do so, we must understand how tax transfers are made between the federal government and the provinces. For social assistance, health and education, these transfers are made under three major programs.

The first one, the fiscal equalization program, is prescribed by the constitution. It is the program under which wealth is redistributed among the wealthier and poorer Canadian provinces. Quebec is now one of the poorer provinces. In 1982, the federal government capped the amount of equalization payments.

Last January—that is, January 1994—the Liberal government extended this cap for another five years with Bill C–3. By putting a cap on equalization payments, the federal government is defeating the very purpose of the program, which is to help bridge the gap between wealthier and poorer provinces. Since the equalization program was dealt with in another bill, namely Bill C–3, there is nothing about it in Bill C–76.

The second major program governing fiscal relations between the federal government and the provinces is called established programs financing (EPF). Through this program, the federal government provides financial assistance to the provinces in the areas of health and postsecondary education.

When the EPF was first introduced in 1977, federal transfers were supposed to be calculated on a per capita basis and indexed. But as the federal government sees its financial capability shrink away, it transfers less and less money.

The third major program is the Canada assistance plan, also known as CAP. This program governs federal transfer payments to the provinces for social assistance. In Quebec, the payments made under this program cover 50 per cent of social assistance costs.

What does Bill C–76 provide for regarding established programs financing and the Canada assistance plan? It calls for these programs to be abolished and replaced with a new program called Canadian social transfer. And the proposed changes would take effect in 1996–97.

The Canadian social transfer has two main characteristics. First, it will save the federal government some money. Indeed, the government is taking advantage of this change to substantially reduce its contribution to the new program. The second feature of the CST is the fact that, even if the federal government provides more limited financing, it reserves the right to impose standards and requirements to the provinces, as a condition to that financing.

In 1996–97, the first year of the new system, the federal government will contribute $2.5 billion less than what it is currently providing to the provinces through the programs which it is proposing to replace. In Quebec's case, this means a loss of $650 million. In 1997–98, the resource envelope for the provinces will be reduced by $4.5 billion, which could mean a $1.2–billion loss for Quebec.

All told, the federal government is reducing its current transfers to the provinces for health, social assistance and post–secondary programs by $7 billion. Moreover, it does so while introducing a new program called the Canada Social Transfer.

The government should at least say: "We have run out of money and are forced to stop contributing to the financing of these programs which, in any case, fall under provincial jurisdiction. Consequently, we leave you with the responsibility of managing these programs". If the government did that, it would eliminate duplication and overlapping, and it would also save close to $3 billion in administrative costs. But that is much too simple and logical for this government.

The federal government would rather continue to raise our taxes, on gas, for instance, waste our money by duplicating provincial initiatives, among other things, and reduce by $7 billion, over the next two years, transfers to the provinces. This is what I call to dump the responsibility for the deficit on the provinces.

[*English*]

Mr. Darrel Stinson (Okanagan—Shuswap, Ref.): Madam Speaker, beside the Rideau Canal there are some information panels from the National Archives. One panel shows the beautiful Parliament Buildings when they were first completed in 1866.

The text explains that when they were built, Centre Block, East Block and West Block were supposed to house not only this place and the other place but also the entire federal public service.

• (1615)

Clearly, successive governments have vastly inflated the federal role compared to its image at the time of Confederation. If a percentage of that increase of federal size was due to things like population growth, I would guess that same percentage of expansion of the federal government could readily be offset today by a full and thorough application of new technology. Personally, I am strongly opposed to having so much federal government with too many employees processing far too many forms and thinking up even more rules and regulations to tie up the private sector in red tape rather than producing real wealth.

How do we stop this expansion? One way would be to support the motion of the Bloc Quebecois to hoist Bill C–76 for six months, presumably leaving the federal government with no way to pay its bills. However, I regard that suggestion as very irresponsible and I urge my colleagues to vote against the amendment. A much better way to downsize the federal government is to eliminate federal interference in areas which the Constitution clearly says fall under provincial jurisdiction.

As forestry critic for the Reform Party, I want to focus on the ending of federal moneys going to industry on a 50/50 cost shared basis with the provinces under the forestry resource development agreements, or FRDA. They expired in most provinces last week but have one more year in British Columbia and Quebec.

FRDA II in British Columbia had a five year budget originally set at $200 million, half from B.C. and half from the federal government. One way to judge the probable impact of FRDA II is to compare its budget to other spending on forest management activities in the province responsible for roughly half of Canada's forestry production.

This is according to the Compendium of Canadian Forestry Statistics for 1993, the national forestry database as published by the Canadian Council of Forest Ministers. On page 138 it shows a B.C. total of public funding spent on forest management including silviculture, protection, resource access and other management expenditures for the years 1990, 1991 and 1992 of $1,518,956,000. Net expenditures by industry in B.C. for those same purposes across the same years was an additional $1,837,027,000.

In other words the $181 million which FRDA management committee correspondence indicates will be its total expenditure across five years must be compared to the $3,355,983,000 of total public and industrial spending for just three years. Clearly, the budget of FRDA II was only a tiny fraction of overall spending on management of B.C. forest lands.

According to the midterm evaluation of FRDA round two in B.C. by Deloitte & Touche: "The major impacts, which can be quantified during the agreement period, should come from the incremental silviculture investment projects. Approximately $100 million worth of these activities are planned over the five year agreement period".

Regarding overall program evaluation, Deloitte & Touche wrote on page 18 of the midterm evaluation: "The total net extra returns over costs and social return on investment or economic gain expected from these silviculture operations to June 30, 1993 is in the order of $46 million".

In other words, the major activities undertaken under FRDA II have produced an economic net gain rather than a cost to the public purse. Therefore, it should be no economic hardship for the provinces to take over these activities themselves. At the same time it frees the provinces from federal interference and frees private industry from federal–provincial overlap in this area which the Constitution clearly says comes under provincial jurisdiction.

Section 92A of the Constitution Act, 1982 specifies the power of the provinces in the areas of "development, conservation and management of non–renewable natural resources and forestry resources" including "the rate of primary production therefrom". Nevertheless, because forestry is the number one industry in Canada and produces a significant part of the entire federal government revenue, the federal government has shoved its way into aspects which really should be provincial.

When I say forestry produces a significant part of the federal government revenue, I base that on a Price Waterhouse study published in May 1991 entitled: "The Forest Industry in British Columbia 1990".

• (1620)

Based on cubic metres of B.C. coast 1990 log harvest, the total of all taxes and payments per cubic metre was $69.19 including $1.44 for municipal government, $29.47 for the provincial government and $38.28 for the federal government for direct taxes, employee taxes and payments like UI and CPP. Although more than one–half of all government revenues per cubic metre went to the federal government, it is the province which bears the major costs of administering regulations for day to day forestry practices.

This example is according to a brief entitled "The Cost of Regulation in the B.C. Coastal Forest" prepared by the Council of Forest Industries of B.C. in September 1992 for the Vancouver region for 1990–91. The actual provincial costs of regulating the industry were: harvesting, $9.97 million; basic silviculture, $20.42 million; inventory, $1.2 million; integrated resource management, $2.7 million; research, $750,000; and administration, $22 million. The total is $57,065,000.

If my mathematics is correct, the province picks up the costs but the federal government's share of income received from the coastal crown allowable annual cut of 19.02 million cubic metres, which was the average of 1988–91 was $728,085,600. I remind my hon. colleagues, that is the federal take from only one B.C. region out of a total of 36 regions. This should provide ample federal funding for the international role on forestry as well as help the overall economy.

Of course, since this study was completed, the B.C. government has introduced a whole new program of forest regulations in an entire series of booklets which makes earlier regulations look like child's play.

Although many B.C. municipal councils have been writing to complain about the ending of the federal funding to FRDA II, I am also hearing from my constituents that they want a balanced federal budget as soon as it can be achieved without undue hardship for those truly in need.

Based on the figures I have mentioned today, I believe I have demonstrated that ending federal funding for FRDA should not have a significant impact on the forest industry, nor impose undue hardship, generally speaking. Moreover, by helping to get the federal government out of day to day forest management, ending federal funding to FRDA can help downsize our bloated federal bureaucracy. Since long term returns from FRDA activities are a net asset to the public purse rather than a liability, this is one way to downsize the federal government at no loss to the provinces.

Finally, last year's report by the House Standing Committee on Natural Resources said in recommendation number 11 that a possible third round of FRDA should go to "development of forest ecosystems and landscape management techniques and the continuation of financial assistance to private woodlot owners". Even the private woodlot owners in Nova Scotia when I visited there were complaining about the bureaucracy and overlap of FRDA and did not expect FRDA to continue.

In conclusion, I wish to oppose the BQ amendment to Bill C–76 on budget implementation. I give my support as the Reform forestry critic to federal downsizing in the realm of natural resources as demonstrated by the ending of the forest resource development agreements.

[*Translation*]

Mr. Jean–Paul Marchand (Québec–Est, BQ): Madam Speaker, the budget brought down by the government should be given points for public perception, and the federal government for improving its image. The impression is given that the government has hit hard. The impression is given that it has reduced the deficit and done everything it possibly could to turn Canada's economy around.

I heard a number of comments in this House that were extremely frustrating for me. One was that this budget was fair and equitable, hard but equitable.

According to the press clippings I read after the budget was tabled, those who complained loudest were the banks, who said it was a very harsh budget.

• (1625)

All the banks said that this government hit their profits very hard, including the president of the Royal Bank. Which means the government came down very hard. In fact, in the budget the banks were asked to contribute $50 million annually, but only for two years, which means a total of $100 million.

Consider that last year, the six chartered banks made a net profit of 4.3 billion dollars. I am talking about net profits, what the banks have left after covering all their expenses and salaries. These are net profits: pure profit. The banks raked in 4.3 billion dollars last year alone for their shareholders and owners.

When the government says in the budget that the banks will be asked to contribute $50 million for two years, this means barely 1 per cent of their net profits for last year. This is all part of a general trend we are seeing in a government that is probably following the example of its Conservative predecessors by supporting the wealthiest in our society. That is very obvious. In fact, not only is the banks' contribution towards paying off the debt extremely small, their taxes have been going down compared with the kind of profits they make. There are statistics and studies that show this very clearly.

I am, of course, referring to those who are among the wealthiest members of our society. The president of the Royal Bank, Mr. Taylor, pocketed over $2.5 million in salaries, bonuses and loans last year. The story is the same for other bank presidents.

Very clearly, this government favours the rich, and the rich are getting richer with this budget and the government's mentality. The proof lies in the fact that the government did nothing about family trusts, that it did not tighten corporation tax credits, and that even subsidies to Canadian business were reduced by only 60 per cent over three years. All this to say that the government has demonstrated its intention to protect the strongest and richest.

If we go to the other end of Canada's social map, we see this government's hard–heartedness, its immorality and its lack of a sense of justice in cutting $300 million in the public housing sector in its budget. Cutting three hundred million dollars in this sector means asking society's most vulnerable people to pay a share three times that of the banks. People who live in public housing earn an average of $10,161 a year—a very long way from Mr. Taylor of the Royal Bank, who earned $2.5 million last year.

In the public housing sector, the government has called for cuts of $100 million this year and the next three. This means that, since 1994, not a single cent has been spent on new housing construction.

• (1630)

Since January 1994, this government has put the key in the door, has not invested a cent in new housing projects even though the demand for low–rent housing has continued to increase. There are 80,000 homeless in Canada, the most beautiful and the best country in the world, as some members of this House would say. Yet this country has 80,000 homeless. Canada needs 600,000 new housing units. Yet not only has this government not invested a cent in new housing, it has cut $300 million from the social housing budget.

That is no longer cutting the fat. However, cutting $50 million is hardly even trimming the fat from the banking industry. Cutting $300 million for social housing is not trimming the fat, it is cutting to the bone with an axe. They are asking the most needy and vulnerable in society to cough up even more than the president of the Royal Bank of Canada. Is that what you would call a fair and just budget? I ask you, Madam Speaker. Not in my opinion. Any Liberal who rises in this House to say that it is is guilty of the greatest hypocrisy of all times, because there has never been a bigger need for social housing in the history of Canada, and it is a basic need.

A $300 million cut to social housing represents a 10 per cent cut in the annual operating budget of each low–rent building in Canada. That means that the window that lets in the cold will not get repaired this year. The roof will go unrepaired. That means that the building itself will continue to deteriorate.

An hon. member: It is being abandoned.

Mr. Marchand: Indeed, we have abandoned this sector. That means that the standard of living of these people will go down. And who are these people earning an average of $10,161 per year? They are single–parent families, widows, seniors, and handicapped people. We are asking the most vulnerable people in society to make contributions that they cannot make. It will push these people further into squalor than they already are. Are these measures fair for Canadians?

I can accept, along with everybody else in the House, that real measures must be taken to reduce the deficit, but not at the expense of the most needy, the most vulnerable. In its budget, the government directly attacks, head on, blindly, the families and individuals who are the weakest and most vulnerable in society, and hits their essential needs. It is like saying to the weakest, infants, babies, children, that they will have to eat less. It is like taking away from these people their ability to meet their most basic needs.

It is unfair. I am for debt reduction, but why did the government not take the $300 million from the banks in its budget?

[*English*]

The Acting Speaker (Mrs. Maheu): It is my duty, pursuant to Standing Order 38, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for The Battlefords—Meadow Lake—Canadian Wheat Board; the hon. member for Chateauguay—MIL Davie Shipyard; the hon. member for Don Valley North—Human Rights.

Mr. Nelson Riis (Kamloops, NDP): Madam Speaker, I am pleased to participate in the debate on Bill C–76, the budget implementation act.

I have been here all day listening to the speeches of my hon. colleagues. I get an uncanny feeling that we are seeing the results of the Peter Pan school of economics at work. You remember Peter Pan, Madam Speaker. He was the person who said: "If you really believe you can fly, you will fly". What I am hearing from countless members is that if we cut deeper, if we lay off public servants and if we dismantle all kinds of social and economic programs, watch Canada prosper. That requires an awful lot of faith in something.

• (1635)

I see across the aisle my hon. colleague from Notre–Dame–de–Grace. He was one of the few government members who had the courage to say that the kind of programs that decade after decade of parliamentarians on behalf of Canadians have struggled to build are being dismantled in a matter of hours by the government.

It is no mistake that Canada is the number one country in the world in which to live and raise families. However, the reason for that is the whole set of very progressive social programs that the government is in the process of dismantling as quickly as possible.

Today reminds me of a story I read when I was a kid. I think it was Robert Louis Stevenson who wrote *The Wreckers*. This book was about a group of people who lived on an island in the South Pacific. On one side of the island was a rocky shoal out in the

surf. At night they would often put lanterns out on the rocks to give the impression to passing ships that it was the harbour entrance. As the ships entered this so–called harbour, which in fact was a shoal of rocks, the ship smashed up into pieces and these unscrupulous pirates and others went out and looted the ships. They misrepresented the harbour entrance.

I have a feeling this is what we are doing here. I cannot believe what I am hearing my colleagues say. For example, I heard a number of my Liberal friends say that the red book set out a whole number of promises and they have kept them. I remember the red book stating: "This NAFTA deal with the United States and Mexico is not good for our businesses and our working people and we will dismantle this program unless massive changes occur". There were virtually no changes at all. Now the Prime Minister has not only signed us into NAFTA, he is trying to sign us into an extension of NAFTA with countries like Chile and others. It was one of the major commitments that was made to the Canadian people and was the basis on which they gave the Liberals their support.

The other crucial one was the GST. I remember my Liberal opponent in Kamloops saying: "If you elect me as a Liberal representative we promise to abolish the GST". As a matter of fact, the deputy leader said: "If that GST is not abolished I will resign my seat because I am so committed to doing this". Here we are, 18 months into the Liberal term of office, and nary a whisper about the GST's abandonment. As a matter of fact they did suggest we change the name. Maybe that was their version of abolishment, to abolish the name of the GST because we are sick of it.

Those were two major promises given to the electorate. Another one was child care. I remember the hon. member from Winnipeg on countless occasions standing up in the House of Commons saying that child care was crucial to the economic development of the country's future. With increasing single parent families and two spouses in the workplace, child care is not a luxury or a social program, it is critical to economic development. Was there even one mention of child care in the budget? Nary a mention. When I put the question to the Minister of Human Resources Development he said: "We will be working on that as long as all of the provinces agree". I can predict the outcome of that.

Then the environment was going to be a priority. That was critical because we all agreed that all of these other programs were essentially irrelevant unless we really came together and worked hard to preserve the quality of the Canadian environment. What have we done? Wait and see. I bet that in a matter of weeks we will be dismantling the environment department. It has been virtually gutted of any consequence, therefore we might just as well toss it out. I can see that announcement coming.

I could go on and on about broken promises but I think they are well known and I do not have to keep it up.

However, government members have been saying: "We had a balanced, just and fair approach". Fair for what? I remember my friends opposite giving a standing ovation to the Minister of Finance on budget day. I will read from the budget: "First, the existing large corporations tax will be increased by 12.5 per cent effective immediately in order that big companies contribute more to help bring the deficit down". People rose to their feet and applauded because the Liberals were getting tough on the big companies, on capital.

• (1640)

Let us look closely at that. The capital tax is 0.2 per cent. It is going to skyrocket from 0.2 per cent to 0.22 per cent. Now 0.22 per cent is an increase of 12.5 per cent, but it is infinitesimal. It is virtually meaningless. You can imagine the big corporations snickering when they heard that. However, the impression was that there was balance because the government was hitting big corporations hard.

The government also said in the budget it would take on the banks. The government imposed a temporary tax for one year. What does that mean, a temporary tax for one year? Nobody in the House would dare to stand and suggest that the banks were getting a tough ride, so the government said that it would get tough and impose a temporary tax which would only last one year.

Where is the balance? I do not think there is a single person who would not admit that the victims of the recession are the hardest pressed today. Where are the major cuts coming? The major cuts are coming from training programs, educational programs, health care programs and all social service programs. Who benefits from those programs the most but the victims of the recession, the unemployed and the poor people of the country. Those are the people who the government is hitting. A little tap on the nose for the big corporations, a little tap on the head for the big banks, and everyone else will get whacked.

We have a deficit problem. We have a serious debt problem. However, let us ask the question. What was it that caused the debt? How did we get into this bloody mess? We have to go no further than to ask Statistics Canada. In 1991 Statistics Canada conducted a major study into the cause of the debt. The study indicated that our $560 billion debt was caused by three items.

Fifty per cent of the debt is the result of compound interest, in other words, monetary policy. The government set a certain monetary policy which we heard about the other day when it became clear that the Minister of Finance and the Governor of the Bank of Canada had entered into a sweetheart deal. The Minister of Finance promised that he would not allow inflation to rise above 3 per cent. He said he would do anything to keep it down, which meant high interest rates. Today we have one of

the highest interest rates in the industrialized world. Fifty per cent of our accumulated debt is the result of that.

Forty–four per cent of our accumulated debt is the result of tax exemptions. There are all sorts of tax exemptions, tax programs, tax loopholes, et cetera. $38 billion a year is lost through that sieve. Again, $38 billion has not been collected as the result of a whole set of tax breaks. I am not going to suggest for a moment that none of them are any good. However, virtually none of them do the things that we want them to do. Forty–four per cent of our accumulated debt comes from tax breaks.

Let me ask my Liberal colleagues across the way if they really support the notion that escort services should be a legitimate tax deduction. If they do not they should stand up and say it. Do they really believe that luxury boxes should be written off as a tax exemption? If they really do not believe that they should stand up and criticize these things. There are huge holes in the tax system which allow $38 billion to remain uncollected year after year.

Now we come to the crunch. Six per cent of the government's accumulated debt since the mid–1970s is as a result of government programs like the armed forces, the RCMP, health care, pensions, et cetera. If we only look at social programs it comes to 2 per cent. What did the government do? It focused on the 2 per cent that caused the debt as opposed to the other 98 per cent.

The government has actually got it reversed. Rather than dealing with monetary policy and tax reform, it decided to take on those who have been victimized by the recession. I say to my Liberal friends: Shame on you. To my Reform friends I say: Double shame.

Mr. John Williams (St. Albert, Ref.): Madam Speaker, I rise to speak on Bill C–76, an act to implement certain provisions of the budget. I guess one could call this an omnibus bill because it deals with measures regarding the public service, health and social transfers, fiscal stabilization, the Public Utilities Income Tax Transfer Act, veterans, securities, fees for passports, the Atlantic freight assistance program and the Western Grain Transportation Act. That is quite a handful all wrapped up in one bill.

• (1645)

While I have some serious concerns about many of these measures, today I am going to focus on only three of these areas. Being a westerner from Alberta and representing farmers in my constituency, the Western Grain Transportation Act of course comes under serious scrutiny.

The Reform Party has always supported the elimination of subsidies, but we do not see any particular reason why the farming community should be singled out for elimination of all the subsidies in their particular area when everyone else can continue on at the public trough, collecting billions and billions of dollars.

We are seeing the Western Grain Transportation Act subsidies eliminated. That of course raises serious concerns for the grain farmers in the western part of the country.

The Minister of Finance in the budget said that there will be a one–time payment of $1.6 billion to the owners of prairie farmland. While I can appreciate that many farmers rent their land from landowners, it seems rather strange to me that the landowner would be the recipient of a subsidy based on the production of the land when it is the farmer who does the farming who incurs all the costs of growing the grain, fertilizing it, harvesting it, storing it, shipping it. He bears all the risk, yet the $1.6 billion is going to the owners.

It is an unfair way of phasing out this subsidy, one, because farmers are being singled out for the elimination of the subsidy, and two, because this money is going to the landowners and not the farmers themselves.

In my riding we have an alfalfa plant, which has also been a recipient of the Western Grain Transportation Act subsidies. Alfalfa may not be a household name or a product that everyone buys, but they do produce 850,000 tonnes of alfalfa pellets and cubes valued at more than $100 million. Over 90 per cent of their production is exported. The elimination of this subsidy is going to have a devastating effect on this particular industry in my riding.

Alfalfa pellets are a high volume, lower value product than grain. Therefore, the transportation costs make up a much higher percentage of the total cost of the product when it is landed in a foreign country such as Japan, which is one of the major importers of Alberta alfalfa. The elimination of this subsidy is going to have a devastating effect.

Last week we legislated back to work the workers on the railroads. If we thought the elimination of this subsidy was tied to or coupled with the increase in productivity on the railroads, then we would be able to keep the transportation costs under control. I do feel that the alfalfa plant in my riding is going to be particularly hard hit by these measures without offsetting help in some other area through, as I mentioned, increased productivity in the railroads.

Canada as a whole of course is going to suffer. Here is $100 million in export sales that is in jeopardy; there are 1,000 jobs in jeopardy. I think the minister of agriculture should take these things into serious consideration and perhaps make some representations to the Minister of Finance regarding what should happen to the alfalfa industry in western Canada.

• (1650)

In the area of the public service, Bill C–76 implements some changes to the workforce adjustment directive. These changes allow the President of the Treasury Board to declare 45,000 public servants a surplus commodity. As Reformers we have a very deep and real concern for the civil servants and their families who are going to be losing their jobs through the workforce adjustment directive.

Since the election we have talked about the need to get the cost of government under control, that downsizing has to be done. We realize that is important. But we must also remember that the Liberals are the ones who said: "We are not going to touch the workforce adjustment directive; we are going to leave it where it its".

In July 1994, in a letter to the Professional Institute of the Public Service, the President of the Treasury Board stated that the workforce adjustment directive will only be changed through negotiations. I do not think Bill C–76 is negotiating with the public service. This is a big, heavy hammer that is going to say that for the next three years the workforce adjustment directive is set aside and we are going to eliminate 45,000 civil service jobs.

If this is the way the Liberal government negotiates and the way it has handled the economy, the deficit and the debt and when it says one thing and does the opposite, we will have no idea where this country is going. The litany of broken promises made in the red book gets longer and longer every day.

The workforce adjustment directive is only being set aside for three years. I was wondering how the government can honestly say that government downsizing does not require the elimination of the directive altogether. Is this just another empty promise of the Liberal government when first it said: "We are not going to touch it," and now it is saying: "We are going to set it aside but only for three years"? Let us hope that in three years it is not in a position to express an opinion on the workforce directive because it is likely that in three years it will find another reason to set it aside for a longer period of time.

I think this government should do its homework and should come to realize that government should be fundamentally changed and downsized. It should come clean with the public service and honestly say that the directive may have to be eliminated and not suspended.

These short term politically expedient measures with the previous Tory government bought labour peace through granting job security. I think we are seeing another situation where the government says one thing and the long term policy may be quite different.

The government is allowing these people who are declared surplus to stay on the job for six months, with or without work. Then, for 12 additional months after they are gone, if a job is found they can be brought back without putting the jobs out to competition.

We are seeing all kinds of ways that the Liberal government is waving the wrong flag.

We are debating employment equity, where the merit principle is thrown out the window. Now they are saying they are going to reserve the right to bring workers back within 12 months and eliminate the competition for jobs. All these things say that fairness is being flouted and that the Liberals are governing without any real sense of direction as to how to set an example in this country.

In the short time I have left I would also like to register my opposition to the elimination of the Public Utilities Income Tax Transfer Act. It is patently unfair to Alberta because it will bear the brunt of this at $173 million in additional costs to the utility services. It is going to add 7 per cent to the price of electricity in Alberta. In Alberta the utilities are privately owned and they now have to pay federal income tax. But Ontario Hydro, Quebec Hydro, B.C. Hydro, and all these other crown corporations of provincial governments are exempt from federal tax.

• (1655)

Therefore, I would like to be on record as opposing that particular item in Bill C–76.

[*Translation*]

Mr. Maurice Godin (Châteauguay, BQ): Madam Speaker, I rise to participate in the debate on Bill C–76, an act to implement certain provisions of the budget tabled in Parliament on February 27, 1995. I had the honour to second the motion moved by my colleague, the hon. member for Saint–Hyacinthe—Bagot, last Thursday, March 30, 1995.

The purpose of this motion is to send the finance minister back to the drawing board to redo the budget he dared table in the House, which the Bloc Quebecois is doing its utmost to denounce. I am proud to have seconded this motion because the finance minister's budget hides its true nature and claims merits it does not have.

For the 1995–96 fiscal year, the budget does not introduce any changes as far as transfers to the provinces are concerned. Everything is being postponed until next year so that Quebecers will not find out before the referendum that federalism is a failure. However, starting in 1996–97, the federal government will arrange to shift its deficit to the provinces to the tune of at least $7 billion.

This is how the government will go about it. First, it will eliminate two major programs under which funds are transferred to the provinces, namely the Canada Assistance Plan and established programs financing, replacing them with a new program called the Canada Social Transfer. This new program, the Canada Social Transfer, will have to take into account the cuts announced in the finance minister's budget. These cuts will amount to $2.5 billion in 1996–97 and $4.5 billion in 1997–98

for a total of $7 billion. The amount of these cuts are in the budget.

By reducing transfer payments to the provinces this way, the federal government is transferring its public finance load onto the provinces while at the same time keeping the related tax points and the spending power in every area. In spite of all the good things promised in the budget, clause 48 of Bill C–76 is unmistakably clear; under this clause, Quebec will be deprived of $650 million in 1996–97.

In 1997–98, the budget for the new program, the Canada transfer program, will be divided among the provinces based on a criterion that remains to be negotiated. If the criterion ultimately chosen is the one currently in use, this would mean a $1.2 billion shortfall for Quebec in 1997–98. It could even be steeper, because no decision was made yet regarding on what basis calculations will be made.

In fact, the federal government seems to grant the requests of wealthier provinces, notably Ontario. Equalization aside, the government is seriously considering distributing all major transfers to the provinces on a per capita basis. If that were the case, Quebec alone would have to bear 41.7 per cent of the cuts in transfer payments in 1997–98 on account of its population. Therefore, Quebec would see its shortfall for 1997–98 increase from $1.2 billion to $1.9 billion.

This goes to show that this budget claims to have merits it does not have, as glaringly evidenced by the cuts to be expected next year. Another clear indication is the government's commitment to maintaining national standards. Bill C–76 maintains health national standards and provides for the introduction of new national standards for social assistance and post–secondary education.

• (1700)

Federal support will be withheld if the provinces do not comply with these standards. This centralizing and arrogant form of federalism has nothing to do with decentralization. These national standards will limit the provinces' autonomy in their own fields of jurisdiction, at their own expense. Again, the new standards which will be implemented coast to coast will not serve the interests of Quebec's distinct society, particularly in a sector as vital as education.

The bill provides for new national standards before negotiations have even taken place. The federal government is announcing the outcome of such negotiations before they are even underway. There is nothing in this legislation to indicate that the federal government needs a consensus among the provinces to implement new national standards. Let us not forget that the federal government has the authority to unilaterally impose such standards through legislative amendments. If the provinces reject these standards, they will lose federal support, which, ironically, is provided with the money collected from provincial taxpayers.

Therefore, the new Canada Social Transfer will impose a $7–billion cut to the provinces. In addition to that, clause 48 of Bill C–76 provides that a province must make mention of the Canada Social Transfer in all its advertising and documents related to the health services provided by that province.

Let me give you another example: As the critic for Veterans Affairs Canada, I noticed that Bill C–76 seeks to reduce benefits, allowances and compensation. Clause 42 provides for the gradual elimination of education assistance to children of deceased veterans.

Clauses 68 to 72 eliminate allowances to allied veterans in the Resistance, as well as allowances to uniformed allied veterans who immigrated to Canada. Finally, clause 73 provides that any compensation paid to a veteran attending a review committee hearing of his application for disability pension will be eliminated. These provisions amount to a loss of benefits for veterans. This is a case of penny–pinching.

In short, this budget truly reflects what federalism is all about. The federal government would like to be perceived as the almighty protector and authority. But Quebecers will not be fooled and they will not hesitate to express their dissatisfaction with this system and say that the trickery is over and that they are prepared to take control of their destiny once and for all. In the meantime, it is essential to postpone second reading of Bill C–76 for six months, to give an opportunity to the Minister of Finance to do his homework. This is the purpose of the motion which I seconded and which I still support.

[*English*]

Mr. Keith Martin (Esquimalt—Juan de Fuca, Ref.): Madam Speaker, it is a pleasure to speak today on Bill C–76.

A lot of misinformation has gone on recently with respect to the budget. I would like to correct some of those statements.

The budget is going to sound the death knell for many things we hold dear to our hearts as Canadians, in particular the social programs of the country we have spent so many years and decades forming. These social programs have set us apart from countries like the United States; set us apart from countries that do not take care of those who are underprivileged in society as we in Canada have done much to the envy of people in other countries.

• (1705)

Contrary to what many people believe, the budget poses the single greatest threat to those social programs. It is not something we should be proud of, but rather ashamed of. I will explain why.

The big ogre in all of these talks about budget and finances is not the deficit. The big ogre in this is the debt, that huge expanding volume, almost impossible for us to comprehend, now at about $560 billion and three years from now will be about $660 billion.

Where will we get the money to pay even the interest on this? I will show the House. Imagine what we spend every year to be a pie. That pie would be circular and would represent $160 billion. Of that pie, $40 billion goes to pay the interest on the debt. The $120 billion remaining goes to pay for government programs and social programs.

Three years from now with an added $100 billion to the debt we will see interest rates on the debt at $50 billion, not $40 billion. That will force our country to decrease its spending on government programs and social programs from $120 billion to $102 billion.

I ask the people of the country to ask themselves where we will get the money to pay for those social programs if we will have $18 billion less to deal with. There are two options. Either we have increased growth in the economy, which should occur to some extent, or raise taxes. The latter is not an option but will be something the government and provincial governments will be forced to do to pay for the programs we have come to enjoy. If we do not we will have to decrease services in important areas like health care and education. These are very important programs we have come to enjoy.

I will give some real time examples of the first option, one very close to my heart. Here are some facts about health care in British Columbia. Prince George, a city in northern British Columbia which actually serves one–half of the province, has lost 80 per cent of its orthopedic surgeons. That leaves one left to serve one–half of the province. It has lost 50 per cent of its obstetricians and gynecologists and its only neurosurgeon, among other specialists.

Why have these people left in the last year and a half? Not because they want to get more money but rather they found it intolerable to work under the fiscal restraints imposed on them not only by the province but by the federal government. There is dual culpability in this situation. It is not held by one arm of the government or the other.

The reason is twofold. We have increasing demand for health care services and more expensive technologies and we have less money to pay for them. We also have an expanding and aging population. As we look into the future, if we look at the demographics of the population in the country, we can see that situation will not change for the better but rather for the worse. Those demands will increase.

Some tragic situations have occurred in northern British Columbia. People have to be flown out of that hospital. Doctors working there have to find spots in Edmonton, Calgary and Vancouver for people to be treated, people sometimes with life threatening injuries, people whose injuries are being treated too late for them to get the adequate treatment required to survive and to come back to functional normality. In a rich country like ours that is an embarrassment and a crying shame. All we need to do is speak to those people to see what happens.

What happens in northern British Columbia is not isolated. This also happens in Victoria. A colleague called me and said he has a 40–year old patient. She is getting vertigo, which means the room spins. They think she has a tumour in her brain stem, part of her brain. She will wait two months to get her CAT–scan and her MRI scan is booked on the 12th of never.

Madam Speaker, if you were that lady, what would you think? What a tragedy to have that happen in our country. If she had enough money she would go to the United States and get these services done in a matter of two or three weeks. That is a two–tier system; a health care system which we have right now, contrary to what government members say.

• (1710)

On one hand the government says it will take money away from Canadians under the guise of cutting, that is remove $8.4 billion from provincial transfer payments, and it will bring down the federal deficit. That is simply not true. All the government is doing is putting the onus back on to the taxpayers and the provinces. It is not fair.

I suggest a constructive alternative solution. It requires a change in philosophy, an openness of mind and a desire to change things for the future. It is a leap of faith which would provide a better health care system for all Canadians.

Let the federal government take it upon itself to define the essential health care services and ensure all Canadians, regardless of income, are covered. Nobody in this party wants to see anybody have any part of their essential health care services withheld because they cannot pay for them. That is something we are fighting against and it is something we will continue to fight against in the future. We want to ensure that every Canadian is covered by these essential services. However, we cannot go on expecting public health care to pay for everything in existence. It simply cannot do that. Therefore let us define those services and ensure they are covered across the country.

Let us give the provinces the power to raise money to pay for their health care services. That would entail amending the Canada Health Act. It would not destroy it, it would amend it.

There are many good aspects to the Canada Health Act the Reform Party wants to preserve.

However, the government cannot on one hand take money away from the provinces and on the other hand tell them they cannot raise funds. That is not fair. Let us enable them to raise funds. That would perhaps provide for a two–tier system in which there is a private system and a public system.

We must understand the federal government can take the responsibility and say to the provinces that if they have a private health care system only private moneys would be exchanged. Not a penny of taxpayers dollars would go into that private system. It is a fallacy to assume we in this party want to have taxpayers money going into a private system.

It would enable the public system to have decreased waiting lists and it would also provide more money for the public system. Some would choose to use the private system. The bottom line is that people on the public system would receive their essential health care services in a more timely, more expeditious and more efficient fashion.

This is an unequal system but we have an unequal system now. Is it not better to have an unequal system which provides better health care for all Canadians than to have the present system which will worsen as time goes on? The Canadian public, when it understands that, would agree. We in this party would support the government if it would take the initiative and do that. To stick its head in the sand and say nothing is wrong is completely untrue.

The provincial government in British Columbia was forced to implement a stop gap measure of $18 million just to lower the MRI waiting list and the waiting list for coronary artery bypass grafting. Those lists have 700 or 800 names. If a person is waiting for open heart surgery, I am sure they would find it extremely disconcerting to find out they have to wait five months. Senator Keon mentioned the waiting list for non–emergency heart surgery in Ottawa is now five months. That is a travesty.

• (1715)

[*Translation*]

Mrs. Monique Guay (Laurentides, BQ): Madam Speaker, the great national party and defender of the most vulnerable, the party that used to lean more towards the NDP than towards the Reform Party, the party that was so full of the words pride and dignity is no more. It has caved in to repeated attacks from the wealthy and the financial community who just happen to be friends of the party.

Yesterday's Liberal Party has turned into a kind of progressive conservative reform party. That is what we can call that party now, whose members sit across the way. With this latest budget, the members opposite, these progressive conservative reform members, have abandoned their basic principles. The vulnerable, the sick, people in substandard housing, the unemployed and the elderly, all these people who need the government's special attention, have been abandoned in the name of deficit reduction.

The message from the government benches sounds hollow. It is also less than forthright, because it would have the public believe that all these vulnerable people and our social programs are to blame for the fact that the federal government is bankrupt. This is a misrepresentation of the facts, and it is unacceptable. By sending this kind of message, members opposite, which I can no longer call Liberals or "Rouges", are questioning the very role of government.

Is this role not supposed to be to help the weakest in our society, to ensure that everyone has a decent standard of living, that our collective wealth is distributed equitably and that those who have a measure of wealth should participate in this collective effort? Is this not the government's mandate?

Unfortunately, members opposite, those former Liberals with their millionaire Minister of Finance, are stupidly caught up in a one–track economic and financial mind set, totally oblivious to social principles and human values. Pretty soon, if we replace the Minister of Finance with a calculator, no one will notice the difference. The government will add and subtract without considering the disastrous impacts of these cuts.

The Minister of Finance of this new progressive conservative reform party represents the exact opposite of Robin Hood. Instead of taking money from the rich to give to the poor, the Minister of Finance takes money from the poor to give to the rich.

Could we expect anything else from a failed Robin Hood who is himself a millionaire and who admitted that he was familiar with the whole range of tax exemptions? He even owns a fleet of ships, some of which fly flags of convenience to avoid Canadian taxes. What a wonderful example of sharing and participating in our collective responsibilities! He prefers to protect his wealthy friends at the expense of those who are less well off.

I am thinking of those notorious family trusts—billions of dollars sheltered from the tax man. In this case, the minister decided to protect his friends for another five years. I think it is shocking to protect The Cadillac crowd and cut benefits to the unemployed.

What about the government's fiscal options? For instance, the banks are taxed a modest $100 million while the Royal Bank alone, a good federalist, made more than $1.2 billion worth of profit last year. How do you justify this fiscal decision, when last year, taxes paid by seniors increased by $500 million?

What about the thousands of businesses that pay no tax, while workers just keep paying more?

The choice of the members opposite is clear in this budget. Their preference for the rich is obvious. The federal government is the protector of the well–to–do and the financial community.

In the end, it is the lower and medium income taxpayers, always the same, who are affected. The unemployed, the disadvantaged, the sick and the homeless are paying for this budget, in which the government lacks the courage to reach into the impenetrable pockets of the more well off. This budget will mean real hardship: lower UI benefits, fewer assistance programs and shrinking health insurance.

Seniors are given a break, this year. However, it is not hard to guess the intentions of the Minister of Finance.

• (1720)

Following the referendum, he will once again go after old age pensions and cut seniors' income, which in many instances, is the bare minimum. Our seniors are entitled to reasonable living conditions. They are also entitled to certain small pleasures.

When the minister's axe falls next year, I fear these small pleasures will disappear, and their quality of life will decline. Women will be hit even harder by the federal government's choices. The concept of family income to be included in various programs affects them directly, because they are the least well off and the most dependent on their partners. By a single stroke, program universality will end for many women, who will thus be condemned to continued economic dependence and poverty. It is a real scandal.

The fact is that the disadvantaged and the middle class are getting poorer. The other fact is that the rich are getting richer. And the government is biting into these facts with gusto—it is broadening the gap between the poor and the rich with its budget and tax choices. What shameful choices.

The budget of the millionaire of finance is just for show. A series of cuts here and there, cuts without vision. And the members opposite are all pleased and smug about this ineffective budget, designed solely to provide a short term response to financial markets. For over 17 months now, the Bloc Quebecois has been asking the government to do its work seriously. The Bloc demands that the government get to the real root of the problem: duplication and deep, structural unemployment.

The Finance millionaire ignores these two issues. But, remember the credo of the red book, the bible that was shelved immediately following the election: jobs, jobs, jobs. Where are all of the jobs so promised, which were supposed to kick–start economic recovery? Obviously, the opposite has happened. Economic recovery is creating jobs, jobs, jobs, not government action. Inaction is more like it.

Nice election promises will not fight poverty. One of the best ways of doing it is to give people the opportunity to acquire a certain wealth through employment. That is a solution seriously worth considering.

Work, employment combat poverty. Where are those major and effective job–creating measures? Nowhere to be seen. The federal government's infrastructure program distributed mere crumbs, and, now, the government is idling. The people opposite are bragging about jobs that were not created by them, but by the economic recovery which, for the most part, was powered by our neighbours to the south.

The federal government does not want to recant. The system is made that way and the faith that the people opposite have in their system is as tough as nails. The decentralization that they say they are going to implement in the budget is an empty shell, a cover for a vast offloading operation onto the provinces. In fact, it is the deficit that is being decentralized, not powers.

Still, before the budget, the carrot they dangled was the possibility of the federal government withdrawing from provincial areas of jurisdiction and transferring to the provinces the corresponding financial resources. Nothing but smoke and mirrors. The budget does the opposite: it perpetuates a domineering central government and ten subservient provinces.

Quebecers will soon make a decision on their future. I am convinced that they will reject this domineering federalism and this government which is eating away at the social fabric to please financiers.

Quebec needs all of the tools available if it wants to build a fairer society based on something other than purely pecuniary values. Globalization of markets, international competition, profits, economic development at any price are all well and good. But, what use are they if the population is abused and neglected? Quebecers will make their own choices.

[*English*]

Mr. Myron Thompson (Wild Rose, Ref.): Madam Speaker, it gives me pleasure to speak on this bill.

During the last couple of months since the bringing down of the budget, I have been a little disappointed at many of the things I have heard. Members on the government side have talked about the number of occasions they have gone into the communities and towns throughout Canada and have talked to people at various gatherings and now government has a clear understanding of what Canadians want. Government then comes down with what it did and the rhetoric begins.

• (1725)

I find it strange because I too have been out to various areas, not just in my own riding but throughout the country. Maybe I operate a little differently than government members do but my conversations are with farmers while sitting on the tailgate of a pick–up truck or with a policeman while riding around in his cruiser. I do that rather than sitting with top bureaucrats or other elites.

When I go into a prison I do not spend my time in the warden's office. I get to the grassroots population, the guards and people who work closely with the inmates. I go to the coffee shops and meet with nurses coming off shift from the hospital. I sit down and listen to what they have to say. Government members say they have conferred with people but I would like to know why they did not get the same message I got.

People ask such questions as: "What are they doing? We do not quite understand. Why will they not accept the idea that the pension is gold plated and at least be willing to say that they should do their part?" When we look at the figure of $1,239,000 going to this gold plated pension plan, we sit over here and complain. They do not have the guts to stand up and say that yes, they should do their part but they do not.

I have pulled some figures out of the public accounts and if I can pull these out of public accounts, anybody can. People should be told that the public accounts indicate that last year this government spent $374 million on language instruction. In the immigration and citizenship section the figure is $298 million. People would like to know what that is all about.

The funny part is that when we get into multiculturalism we see these big million dollar figures. Most of the people I talked to are immigrants and they asked: "What are they doing? Why are they spending their money on these things? They are nice but at the same time our health programs are going down the tube. Education is going down the tube. Protection is going down the tube and even defence which is important is being cut and going down the tube".

There is welfare out there for the needy. In a pig's eye, it is for the greedy. There are single mothers who ask: "Why can I not get some help? I am single. I have kids. I am divorced and having problems. Why can I not have some help?" I do not know the answer.

All you people on that side do is chatter. You do not give answers to anybody. You play the old political, yap, yap, yap, blah, blah, blah and say nothing. You have been doing that for 30 years. Now we wonder why we have a $560 billion debt and this huge deficit every year?

People tell me they do not understand. I tell them: Come and listen to the Liberals and you will understand. That is the way they have been operating for 30 years. They will not even give up their little blue cars. On occasion a minister might walk or take the green bus like the rest of us. But no, leave the cars sitting out front with a driver. Let the engines run, it does not matter. Then they walk in here and talk about the millions of kids who are living in poverty, while their cars are running and their chauffeurs are waiting. That is what they do. There is no sign whatsoever that they are interested in giving up anything that would help. A selfish lot right from day one.

• (1730)

We talked to the people and we came up with a taxpayers' budget. They say we have priorities and why do the Liberals not have priorities. This is what the people are saying. Obviously their budget does not match what people are saying. Three per cent of GDP means a $25 billion deficit in three years. Is that not wonderful? We will be paying $50 billion in interest. We will have another $25 billion worth of debt.

We are doing our part but perhaps we should listen to the NDP. There is bound to be a pile of dollars out there that we can gather in because we need more revenue. Tax them more. Spend more. Do everything we possibly can.

With respect to justice, it costs $40,000 per year to house our inmates and we have something like 17,000 inmates. If we multiply that—we do not have to be too sharp, we can even be a school teacher to do that—we come up with millions and millions more dollars. It is $40,000 to take care of an inmate.

Even one of the Liberals said we have 1,700 from other countries and perhaps we should deport them. I applaud that. That is a good idea. That came from the other side of the House. Good grief, why do the members not listen to that member? We have 1,700 non–citizens sitting in our jails and it is costing us $40,000 a head. Let us send them back. Let us deport them to their countries. That would probably be the worst punishment they could get. Why do we not come up with solutions to what is happening in our judicial system?

If the member for Halifax would only pay attention she might even learn something; I doubt it but she might. I would imagine she has opted out of her pension plan so she can talk a lot.

Ms. Clancy: No she has not and she will not either. You may quote me.

Mr. Thompson: I will quote her, she will not either. Of course I did not expect any different.

I can recall not too many years back I was told by certain officials in the justice department that once upon a time there were countries interested in negotiating a deal by which they would contract and house our convicts for us, that they would save us a lot of money. Perhaps we need to start looking at that. Perhaps we need to contract with other places to help us with this problem.

The whole crux of this is coming from the people of this country. When we talk to the people, when we talk to their bosses, even though they do not act like bosses—the taxpayer happens to be their boss, I will remind members just in case they have forgotten—they are quite upset that we do not seem to come up with priorities in the House and say we have to take care of health, education, protection, we do need a defence, we want

to make sure the needy are well looked after when it comes to our welfare system. We have put together their thoughts.

I doubt if anyone sitting over there even took time to read it. After all, that did not come from a Liberal, so why look at it. It cannot be any good if it does not come from a Liberal. For the past nine years before the Liberals came it was not any good if it did not come from a Conservative. Before that it was not any good if it did not come from a Liberal. We play this silly game year after year. We all say we need to do something different.

I have not seen anything different; different name, different faces but the same old Tories, same old stories. Nothing has changed.

• (1735)

Mr. Harris: Madam Speaker, I rise on a point of order. While the hon. member for Wild Rose was speaking about the government hearing the message of the people, asking why it was not hearing the right message, the hon. member for Halifax made the comment "because people in the east are smarter". This is an affront to western Canadians—

The Acting Speaker (Mrs. Maheu): I am sorry, that is a point of debate and not a point of order.

[*Translation*]

Mr. Yves Rocheleau (Trois–Rivières, BQ): Madam Speaker, it is a pleasure for me, in the next few minutes, to speak to—

Madam Speaker, would it be possible to have quiet?

The Acting Speaker (Mrs. Maheu): Order!

Mr. Rocheleau: Madam Speaker, as I was saying, it is a pleasure for me to speak to Bill C–76, An Act to implement certain provisions of the budget tabled in Parliament on February 27, 1995. Ultimately, in practical terms, the purpose of this bill is to modify certain legislation, following the tabling of the budget with its sometimes devastating consequences.

As I examined this bill, my attention was caught, in particular, by some of the legislation affected, including the first part on public sector compensation, where we can see the results of the government's consistency. If this bill is passed, 45,000 federal public servants will eventually lose their jobs, and yet you will recall, Madam Speaker, that "jobs, jobs, jobs" were what the red book promised.

The ideology continues to be the same. Faced with labour relations problems last week, the government did not hesitate to impose back–to–work legislation on workers who wanted to avail themselves of their right to strike, but who did not even have the time to do so, having first been locked out and then, twelve hours later, legislated back to work. Sometimes, this government is only too consistent.

I also noted that the Western Grain Transportation Act will be adjusted, and yet we know that following the abolition of these subsidies in the West, there will be compensation of three billion dollars, while subsidies to Quebec dairy producers will be cut by 30 per cent, with no mention of compensation. We realize that the member for Brome–Missisquoi will not be leading the protest.

Finally, of course, there is the main body of this budget, which announces cuts in transfers to the provinces over the next three years of $7 billion, including $2.5 billion—around 40 per cent—in cuts to the Quebec government. Quebec, with only 25 per cent of the population, will assume 40 per cent of the cuts. And this is consistent too, not just for this government, but for the entire Canadian federal system.

It is consistent because, if one looks at the figures since 1982, Quebec has been cut $14.3 billion over 12 years. In other words, the government of Quebec, regardless of which party was in power, averaged cuts of over a billion dollars. It is no wonder that the impact of these perverse cuts is being felt in education and health and throughout the system. One only has to think about the community organizations that face repeated cuts resulting from this system based on concealment, on shifting the burden to the provinces and on irresponsibility.

They may laugh, especially since they come from Quebec and have just been elected. Some have not yet realized it. Some people are slower than others. All these cuts and those to come are to be implemented without any changes in Quebecers' tax rates. Quebecers will continue to send between $28 billion and $30 billion to Ottawa. For over a decade, we have seen that compensation in the form of subsidies and tax transfers is steadily declining, while Quebecers' tax rates are being maintained.

• (1740)

In this regard, it is sad that these cuts are being implemented on the backs of the most disadvantaged in our society, that is, patients in hospitals, the unemployed, welfare recipients, retirees and seniors. We feel that these people are being sacrificed because of an administrative choice, a societal choice, an ideological choice made by this government. My colleague, the hon. member for Laurentides, talked about this earlier. In light of the finance minister's situation, it is difficult to make different choices.

I am very happy about the movement that was born in my riding last week, which is going to sweep across Quebec. This proposal by the Trois–Rivières chapter of Solidarité Québec will be put to all of Quebec through Solidarité populaire Québec, a movement that will result in a national Quebec petition calling for a commission of inquiry on taxation. I want

to commend the people of the CEQ, the CNTU, the FTQ, the nurses' federation, the union of professional employees of the Quebec government and the union of Quebec public servants, who joined forces to put together a massive petition denouncing the federal government and calling for an inquiry on taxation.

In the end, when they talk about social programs, what do they really mean? We are talking about redistribution of wealth. And when less and less is being distributed, what happens? Wealth is concentrated. That is the evil—the cancer sapping the economy not only in Canada but also throughout the Western world— that has to be denounced and dealt with quickly. Wealth should be distributed, not concentrated as is presently the case.

The government appears to want to distribute wealth, but one must not mistake appearance for reality because, in reality and at the expense of the provinces, it is merely standardizing. It was already standardizing the area of health while at the same time reducing funding. Now, it will do the same not only in the area of social assistance but also, and this is a precedent, in the area of postsecondary education, killing two birds with one stone. On the pretence of bringing the debt under control, the government interferes in a totally unconstitutional way in a area of jurisdiction which, as we know, is very dear to the Government of Quebec in particular and, in Canada as we know it today, is recognized in the constitution as an area of exclusive provincial jurisdiction.

Where will this lead? When cuts are this extensive, it means that social programs will have to be chopped as well. It will become necessary to either cut back funding for education and social assistance or raise taxes or both. But what is disgusting and wicked about all this manoeuvring on the part of this government is that it is designed to pass the buck so that it can wash its hands of the matter. That is what Lise Bissonnette was referring to when she spoke of imperial federalism.

An hon. member: A dictatorship.

Mr. Rocheleau: Finally, I would like to say a word about the future of Canada, because this whole process is part of a vast operation. This is not our saying; it was reported in *Le Journal de Montréal* on March 30, 1995, that two Liberals were fearing a fiscal attack against Quebec. The two Liberals in question, Jean–Claude Rivest, recently appointed to the Senate, and Claude Forget, former Liberal minister in the Quebec government, both distinguished and well known Liberals, said that the Minister of Intergovernmental Affairs and President of the Queen's Privy Council for Canada was preparing a major administrative and tax reform in Canada.

• (1745)

Mr. Rivest added that, in his opinion, there was nothing to fear at the constitutional level but the same could not be said at the fiscal level; there is an opportunity for initiatives, whether constitutional or not, that could change the rules of the game one way or the other. That is was is happening.

So, on the eve of this historic public consultation in Quebec, I hope that, in the Canada of the future, as it now appears, Quebecers will make the right decision.

Mr. Pierre Brien (Témiscamingue, BQ): Madam Speaker, the hon. member referred to the fiscal coup which is in the making, which could also be called the Stéphane Dion strategy, and which seeks to hurt Quebec after the referendum. We are bracing ourselves for that.

On the other side of this House I see Quebec members who support this legislation, who smile and who do not dare get up to protect Quebec's interests, as they claimed they would do when they were elected. Now that they are here, they are a lot more polite and conciliatory. They are members of a party in office, so they want to protect their personal career. This has priority over the interests of the people, the riding and the Quebec nation which they are here to represent.

I want to say a word about the last federal budget and its major component, which is the new structure of transfer payments. This is an extraordinary camouflage exercise, and I will tell you why. The government is trying to make us believe that it will be more flexible, that things will go better and that the same services will be provided with less money. Less money, more standards and probably more controls.

I participated in an English radio talk show, in Montreal, with the Minister of Human Resources Development. The moderator asked: "Does this new Canada Social Transfer mean that the federal government will no longer have control over transfer payments"? The minister replied: "No, quite the contrary. We will have more control than ever before. We did not have controls in certain areas before, but now we will". All this remains to be defined.

Of course, the federal government will invite the provinces to come and negotiate with a loaded gun to their head: "If you do not want to lose even more federal support, then approve these standards". An internal document circulating among party ranks indicates that this is just the beginning. Other financial objectives will be set.

After these initial cuts of $7 billion to transfer payments, which will primarily affect Quebec, the process will continue since we must solve the federal government's financial problems. This, without any consideration for the problems which will result from this process, particularly for some provinces, including problems related to their credit rating and to the

imbalance which these measures will create in provincial budgets.

Let me put transfer payments in their proper context, because this is a complex issue. I want to point out some specifics for the benefit of those who are listening to us. There are currently three main types of transfer programs. First, there is the Established Programs Financing, second, the equalization program, and third, the Canada Assistance Plan. Let me review them briefly one by one.

First, under Established Programs Financing, taxpayers pay taxes to the federal government who, according to certain criteria, sends part of the money to the provinces for their health and post–secondary education programs.

As for equalization, it is a measure of wealth redistribution or rather a measure of redistribution among the provinces of the capacity to generate income. Seven provinces benefit from the equalization program; the amounts they were entitled to were recently capped. Whenever something is expensive, they put a limit to it so that the costs will not increase too much in the future.

So, one of the first bills that the government tabled before the Parliament was Bill C–3, to limit equalization payments so that they would not increase too much. And yet, the objective of this program is to redistribute wealth. Consequently, that bill meant limiting the ability to redistribute wealth.

Obviously, the Liberals have lost this concept in the last few weeks or months, or even in the last years. They should now be called the old Liberals, since they look more and more like Conservatives. Even if they do not like to hear that, they must be called by their name, they must wear the hat that fits them.

• (1750)

The third type of transfer payment is the Canada Assistance Plan. That is mainly in the welfare sector. The government is funding a part of provincial spending in that sector.

So, there are these three components. Let us take equalization payments from that, because they are not affected by the new Canada social transfer. All there was to say on this is that the government has limited the potential growth of that system.

In the new Canada social transfer, the two other types have been amalgamated: the Canada Assistance Plan and Established Programs. They become one single program.

Obviously, because this government intended to cutback post–secondary education and attended the demonstrations made by students—I remember well seeing them on the Hill—they said: "It is true. When they are told directly that education or health will be cut, they react. Therefore, we should mix everything together and proceed with cuts thereafter. This way, they will not be able to say that we have made cuts in a specific area, be it education, health or social welfare. Provincial governments will be totally free to choose where to cut. That is flexible federalism". That is what you are told. You are free to choose in what area you will cut: education, health or social welfare. That is what this government is defending, almost with a smile, in joy and almost with conviction. This is very astonishing.

This new Canada social transfer will reduce the amounts transferred by $2.5 billion, not this year, obviously, because it knows perfectly well that this is a very important year on the Canadian political scene because of what is going on in Quebec. Therefore, it is waiting. Since it does not want to decide now how to define the new Canada that it wants to build, it will reduce the amounts transferred by $2.5 billion next year and by $4.5 billion the following year, without saying who will be affected and to what extent. All that is known is that it will happen in the second year, that $650 million of the $2.5 billion will be cut in Quebec, and that in the following year, as much as $1.9 billion of the $4.5 billion could be cut in Quebec.

Quebec would assume more than its share since the criteria used for allocating funds under the Canadian social transfer are going to be reviewed. Given the lobbying efforts which will be made by the wealthiest provinces, such as Ontario, one can be sure that these provinces are going to try to get a bigger share.

Furthermore, we are all aware of the upcoming election in Ontario and of the possibility that their Liberal colleagues will be elected. They are going to show great compassion for their colleagues and no doubt help make their transfer payments more generous. Again, Quebec would assume more than its share. As I said earlier, these cuts could add up to $1.9 billion.

During the two minutes remaining, I will show how intolerable it is to implement all these cuts while insisting on maintaining the same standards and probably raising them. All the while federal members of Parliament are strolling through their ridings, patting themselves on the back and claiming that we have an extraordinary health care system. They say to their constituents that they will be protected, that they will define standards. They will do it and the bill will be paid not by the federal government, but by provincial governments. They are the ones who will be stuck with the difficult job of deciding how to do it. The federal government will only ask them to adhere to standards—that will probably be raised—with less money. Go figure.

We do not want to allow for flexibility or to leave the governments some room to adjust. We prefer to remain good members of Parliament and, as such, protect the principles and preserve the universal aspect of social programs. So we let them manage the monetary aspect of the matter.

This is basically what this budget does, although it tries to hide it. Here is another point that I was just about to forget. This budget talks about tax points, equalization and cash transfers. What is being cut by the budget are the cash transfers to the provinces. This is the part which is changed and remixed.

The government adds up cash transfer payments, equalization and also tax points, on which it has no control whatsoever, and says: "Look how little we are cutting".

This is a terrible cover up by people who, during the election campaign, were going around with their red book in hand saying that their objective was a more open, a more transparent government, so transparent in fact you could almost see through the front cover of the red book. They were going around everywhere saying: "We are going to have something very understandable, very clear so that people know what the government is doing".

• (1755)

This budget manipulates, messes around with and monkeys with figures to make people believe that they will hardly be affected. This is what we have to expect from a Liberal government which has become more conservative than the Tories and has grown more and more like the Reform Party. This is the kind of Canada this government is shaping. For our part, we are going to have to explain all this to people who will have a choice to make.

We will have the opportunity to conduct the same debate in a few months since the government will only implement its new vision next year, being afraid of doing it before the referendum. We will be there to remind Quebecers, before they make a choice, that they have to find out who these people who govern us are, where they are leading us and what will the consequences be.

[*English*]

Ms. Val Meredith (Surrey—White Rock—South Langley, Ref.): Madam Speaker, it is interesting to hear the debate on the budget and whether or not it should be delayed. I believe that although the budget is not really what I would have liked to have seen, the government had better get on with it and start instituting some cost cutting measures. If the government were to be prudent, it would come up with another budget in the fall to continue the process and start working toward a balanced budget.

I come from a province that is often criticized for living in a different world. It is the province of British Columbia. It is quite true, we do live in a part of the country that is quite different from the rest of Canada. The Rocky Mountains separate us from the rest of Canada. Because of our separation from the rest of Canada, our trade has been north–south. Our communication has been with our neighbours to the south.

My riding is on the Canadian–American border. We are not afraid of Americans. We are not afraid of trading with them or of being friends with them. We have established in our province a relationship with the states of Washington, Oregon and California that has developed its own economy. It is very distressful for me to see, because of the strength of the flow of goods and commerce north and south, that some Canadian businesses in my riding and in neighbouring ridings have chosen to move their businesses south of the border. They have not only chosen to move their businesses south of the border, but they have taken jobs south of the border. The reason they gave me is it is because of the cost of doing business in Canada. A lot of the cost of doing business in Canada is made up of high taxes and regulations that governments impose on the business community. It troubles me that these businesses are taking their money and their jobs and moving south.

It gives me some encouragement when I hear of groups such as Cascadia, which is an economic union between some of the northwestern United States and some of the western provinces of this country. I believe it is a union that includes Alaska, Washington, Oregon and northern California, with Alberta and British Columbia. It is an economic union that has some powerful economists and business people who are looking at the potential of a more secure economic union between western provinces and the western United States. That gives me some faith that there are other ways of addressing some of the problems that are created by the government.

I would hate to think that this economic union, which seems to be blossoming, might ever become a political union. It is important that I represent my constituency and my country in saying that this government has a mandate from the people of this country to try to reduce the cost of government so that businesses, not only in my constituency but in all constituencies across the country, will stay in Canada, will keep the jobs in Canada and will keep the money in Canada.

It is my concern that this government take seriously the task it has at hand, to make sure it is up front with Canadians as to what reducing government spending will cost. The government must be honest, it must be forthright, and it must look to the future of this country, not just to what is happening today.

• (1800)

It is very important for the government to get on with the business at hand, not to delay implementing the budget, but to get on with implementing it today. It is just as important for the government to look at coming back with another budget, a mini–budget if you will, that will carry it forward until the next budget year.

I would like to think this is only a first step, albeit a small step, in a process of the government balancing a budget. Canadians expect that. The Reform Party, in listening to what constituents are telling us, has come up with a vision which seems to be lacking from the government. It is a vision that looks at balancing the budget in the near future, not in 10 years when it is too late.

It is very important that we balance the budget as soon as possible. Only then can the government start eliminating an interest payment, or at least reducing an interest payment, and start eliminating the debt that has accumulated to over $550 billion. Our children and grandchildren can expect nothing less from all of us but to look at that very real problem, the problem that in three years time, if the government continues with its plan, we will be paying $50 billion in interest payments.

At least the Reform Party has acknowledged the problem, has identified the solution to the problem is short term pain for long term gain. In its taxpayers budget, the Reform Party has been up front, honest and has shown the Canadian public what is necessary for the country to get its financial house in order. The Reform Party has shown vision when it has talked about other ways for people to look after their own interests, to look after their own economic needs.

We have been visionary in looking at what is wrong with the system as it stands today and where we can go with it. When we talk to Canadians about the potential of an RPSP, a personal plan where they invest in their own future to look after their own needs, it is something Canadians can understand and they look for.

I do not know how many constituents I have talked to have contributed to the unemployment insurance plan and find that after 30 years of working it is not there for them when they need it. I do not know how many Canadians I have talked to in my constituency have contributed money to the civil servant pension plan or the RCMP pension plan or the defence pension plan, the armed forces pension plan. They think that money is sitting there in a pension plan, that it is protected. In reality that money is in the big black hole and is part of our national debt.

There is no security in there for any of these people who are looking at the Canadian pension plan or the individual pension plan. That concerns them. They look at this visionary RPSP where they are contributing to a plan that is there for them when they need it. They decide how much they will take out to assist them when there is unemployment or any other situation. They look at that as a new way, an interesting way, an interesting concept and something they can really get into.

I look forward to the days and months to come of expanding on that idea and sharing with Canadians how that can work for them. Canadians are looking to their government to have that kind of vision, for their government to be able to look for new ideas, not always falling back on the old way of doing things.

The old way of doing things which the Liberals brought in many years ago, 30–odd years ago, in deficit budgeting followed by the Mulroney Conservatives, has put us in this position. It is incumbent on the government to start taking the lead from the Reform Party with a newer vision and to start looking for some real answers instead of doing things the stale old way that only gets us deeper and deeper into debt.

[*Translation*]

Mr. Richard Bélisle (La Prairie, BQ): Madam Speaker, in speaking to Bill C–76, I would like to draw the attention of this House to what is really at stake in the budget tabled last February 27 by the Minister of Finance. This bill is supposed to be an act to implement certain provisions of the budget, according to the wording in the bill.

• (1805)

These provisions will change the financial and social framework of this country, independently of any constitutional or administrative agreement with the provinces.

The creation of the new Canada social transfer to replace the Canada assistance plan and the program to fund established programs will completely change the division of financial resources between Ottawa and the provinces in the future.

Through this Canada social transfer, the federal government will reduce drastically its contributions to the funding of health and social programs. Clause 48 of part V of the bill mentions, and I quote: "Subject to this part —for the purposes of (a) establishing interim arrangements to finance social programs in a manner that will increase provincial flexibility; (b) maintaining the national criteria and conditions in the *Canada Health Act*".

Despite the talk of greater flexibility for the provinces, the federal government is going to reduce its financial contribution substantially and the provinces will have to implement all aspects of the Canada Health Act, including the key components of public administration, comprehensiveness, universality, portability, accessibility, extra billing and user charges. How can the provinces be flexible when they must comply with all provisions of the Canada Health Act while Ottawa is reducing its financial contribution to health care and social programs in general?

Given the current overtaxation of the middle class, which, it must be said, remains the real cash cow of all levels of government, and the chronic indebtedness of the federal and provincial governments, the provinces will have no room left to manoeuvre. Although the federal government is withdrawing from financing, it will continue to make the rules.

For 30 years, the provinces have been fighting against federal government interference in areas of provincial jurisdiction. Until now, Ottawa used to compensate for invading provincial jurisdictions by footing part of the bill. Today, Ottawa is interfering even more, even if it is paying less. It is transferring onto the provinces the horrible task of increasing taxes and cutting elsewhere. The federal government is literally putting the provinces in a straitjacket. It even goes as far as forcing the provinces to refer to the Canada Social Transfer in all their ads and documentation concerning the health services they provide. All this window–dressing only to cut $7 billion on the backs of the provinces through the implementation of the Canada Social Transfer.

So, Bill C–76 will offload the federal deficit onto the provinces; since the legislative framework for health–related matters will stay the same, the federal government will only have to transfer its deficit.

Because of the pressure exerted by the richer provinces, the federal government is seriously thinking about changing the envelope for the main provincial transfers, except of course for the equalization payments which will in any way be significantly reduced beginning in 1996–97. As I was saying, the government is thinking about reducing the envelope for all provincial transfers according to the population figures instead of the wealth index which is now being used. If distribution is based on population, as the government is contemplating, then Quebec will have to deal with almost 42 per cent of all the cuts made to the provincial transfers in 1997–98.

Bill C–76 even provides for new health criteria and paves the way for new criteria in the areas of welfare and post–secondary education. Is this what the flexible federalism the Liberal government has been pushing for is all about?

Education is a very sensitive area for Quebecers who make up a distinct minority in Canada. The prime minister's centralizing federalism does not recognize this reality, and that is why more and more Quebecers do not want to be part of a country whose government shows so little sensitivity to their cultural identity and their most legitimate aspirations.

Quebecers are puzzled about one thing: Quebec's debt is at $70 billion, whereas the Canadian government has borrowed about $126 billion in the name of Quebecers since 1972. Therefore, Quebec's share of the federal debt is 45 per cent higher than its own provincial debt, although the latter remains high.

• (1810)

Quebecers have come to wonder how a federal government that has done so poorly in managing their hard–earned money can still be trying to impose its will upon a Quebec government that is also closer to them from a cultural standpoint.

By withdrawing its funding and by forcing the provinces to comply with new national standards, the federal government will be dealing, in a few years, with provinces whose tax base will be considerably weakened. This will give yet more power to the central government which will have greatly reduced its fiscal obligations and which will be in a position to interfere even more in areas under provincial jurisdiction.

The newspapers reported last week that Jean–Claude Rivest, an independent senator, and Claude Forget, former health minister in Quebec, fear a fiscal coup by Ottawa after a victory for the "no" in the Quebec referendum. My colleague from Trois–Rivières talked about it very eloquently a while ago.

Mr. Rivest and Mr. Forget, who have good connections within the federal government as reported in the *Journal de Montréal* on March 30, have no reason to worry.
With this Bill C–76 and with the budget tabled on February 27, the federal government has already launched its fiscal coup against Quebec, even though the referendum in that province has not yet taken place.

Neither the finance minister's budget nor the bill before us today contain any provisions about the tax system, especially as it applies to families and young households, the only ones that would be likely to stimulate consumption and economic activity and to give some breathing room to provinces, which could intervene more freely and more energetically on their territory and in their particular jurisdictions by involving the stakeholders.

The centralizing federalism practised by the Liberals goes against every attempt at decentralization toward the provinces. Therefore, we must strongly reject Bill C–76.

[*English*]

Mr. Dick Harris (Prince George—Bulkley Valley, Ref.): Madam Speaker, I am pleased to speak to the amendment the Bloc has put forward. It wants to delay the implementation of the budget for six months. I am sure it has a political agenda behind this amendment. I would imagine that it is to try to add more credence to its failing sovereignty program. I can think of no other reason for an amendment like this.

However, I suggest the government delay the implementation of the budget for eternity. This is not a budget the Canadian people were asking for. While the hon. member for Halifax a short time ago said eastern Canadians were smarter than western Canadians, there are a whole lot of western Canadians who apply some good, common sense to getting this financial crisis and the House in order.

I want to paraphrase part of a speech by Mackenzie King in the House in 1935. What he was saying applies to the situation we have today. He said that when a government loses control of its currency and credit in effect all talk of democracy in the country is both useless and futile. That is exactly the situation the country is in. We have lost control of our currency and credit. Every decision we try to make in the House is influenced by the

fact that we are some $500 billion in debt. We have an annual interest payment of some $47 billion.

As we discuss issues in the House, no matter what they are, industry and trade, Indian affairs and northern development, the health problems or the social problems, they are influenced by the fact that our country is seriously hemorrhaging in debt. Every decision we make has to take into account that we owe $500–plus billion and we are paying an annual interest rate to service that debt of some $47 billion. We are being held captive by the irresponsible spending that was started during the Trudeau administration and carried on by the successive governments under Tory prime ministers Clark and Mulroney.

• (1815)

Before the Trudeau administration came to power we were basically running a balanced budget. We had a small national debt that was perfectly manageable. Somehow the special interest groups got to the Trudeau government and said: "Listen, if you will give us more of this and more of that, we will vote for you". The Liberal government heard that message and thought: "This is a good thing. Let us go out and tell all of Canada they can have whatever they want and not to worry about paying for it. As long as they vote for us, we will give them whatever they want". They instilled in this country, in the Canadian people, during those years an attitude of entitlement, that the Canadian people were entitled to every single thing they wanted. The government told them: "Do not worry about paying for it. We will borrow the money and sooner or later we will get around to looking after the debt."

Well, now some 28 or 29 years later, look what this got us. We have a half a trillion dollar debt and an interest payment that would pay for all the social programs in this country if we did not have it. This government talks about its famous red book and its promises. This government is trapped by the promises in the red book. The Canadian people are demanding that the government get control of its financial house. The Liberal government knows what it has to do. The Minister of Finance knew what he had to do, but the soft–headed Liberals in that party would not let him make the drastic and severe cuts that are needed.

They are trapped by the promises in the red book. The red book says: "We will bring the deficit within 3 per cent of our GDP". Big deal. That can be done by increasing the GDP. Spending does not have to be cut. That is fine as long as the economy stays buoyant. But what happens if there is a downturn in the economy, as was forecast in *The Globe and Mail* just a couple of days ago?

Under the government's budget plan and deficit reduction plans, if we have another downturn in the economy our fiscal house is headed for disaster once again. The government will use the same excuse the Tory government used. It will say: "Well, there is nothing we could do about it. We inherited this debt from the Tories." The Tories said: "There is nothing we could do about it. We inherited the debt from the Liberals."

The Canadian people are sick and tired of excuses. They want action. The people who invest in business in this country are sick and tired of excuses. They want action. Everywhere we go in this country people are saying: "We want a balanced budget". The Liberals say: "Oh, no. Sorry. Canada does not need a balanced budget. You do not know what you are talking about. We have a plan that is going to cut the deficit to $25 billion in 1997 and everything is going to be okay. It is a feel good budget". At the same time they are going to add $100 billion to our debt and maybe another $10 billion to the interest payments.

Madam Speaker, any economist will tell you that if you are deeply in debt—as a matter of fact, my wife will tell you, because she runs our household budget and does a darned good job, that the time to reduce your debt is when things are good, when you have a good paying job. Let us apply that same simple principle to this budget. This government should apply that same principle. Things are pretty good in this country right now. Now is the time to make some drastic cuts and get rid of the deficit. Get the fiscal house of this country in order.

The Canadian people, the consumers in this country, have no confidence in the financial affairs of this government. If they did, consumer spending would be far higher than it is now. The investors in this country have no confidence in the future of the financial plans of this government. If they did, investment would be higher now. That is where we have to target. We have to get back people's confidence in the investment community.

• (1820)

I would like to tell the Liberals how they can be heroes. All they have to do is balance the budget. Give the Canadian people a definite time line to balance the budget. Regain the confidence of the Canadian people in the way the government handles the fiscal problems. Get rid of the deficit. Say to the people: "We have shown you that we have our financial crisis under control. We have eliminated the deficit".

Once there is a balanced budget the Liberals can say to the Canadian people: "We think you have confidence in us once again. Here is what we want to do. About 30 per cent of our national debt is foreign owned. Let us bring that foreign owned portion of our debt home. We are going to issue something similar to a war bond. We are going to declare war on our foreign debt. We want all Canadians to invest in these war bonds". That is something saleable, but only when Canadians are confident once again that the government is in control of its financial house.

I think many Liberal members would agree with that. I thank the hon. member for her support. I think it is a good idea.

This budget should be thrown out the window. This government should bring in a budget with a definite time line on balancing it. If it is 1997–98, so be it; if it is 1998–99, so be it, but give Canadians a light at the end of the tunnel. Show Canadians the government is serious about getting the deficit and debt under control. Only then will confidence be returned to this government.

I can assure you that confidence will be returned once again in 1997–98 when the Reform Party of Canada forms the Government of Canada.

Mr. John Solomon (Regina—Lumsden, NDP): Madam Speaker, it is my pleasure to participate in this debate on the Bloc amendment with respect to Bill C–76, the budget implementation act.

What we have seen is an effort by the Liberal government opposite to try to get a handle on its budget without considering the effects on the economy in western Canada or the effects on the national economy.

What this budget has done is described in one word in terms of an impact on the province of Saskatchewan and on rural Canada. The day after the budget there was a one word headline in big bold black letters across the front of the *Leader Post*. The word was "devastated". Western Canada and rural Canada have been devastated by two major planks of that budget. I refer specifically to the elimination of the Crow benefit and the abandonment of rail lines in rural Canada.

The present minister of agriculture used to be a parliamentary secretary to Minister of Transport Otto Lang back in the mid–seventies. At that time the Liberal government attempted to commence the dismantling of the Crow rate as it was called then. The minister of agriculture who sits in this government today was defeated in 1979. He was defeated in 1980. He was defeated a number of other times provincially after that involvement with Otto Lang and the Liberal government to dismantle the Crow rate. He was re–elected in the 1993 election and was appointed minister of agriculture. In one fell swoop of a budget not only does he dismantle the Crow benefit but he also eliminates it entirely from the rural Canadian population.

What we see as a result of this very treacherous act on farmers who supported him in the last election is an act of betrayal. The minister of agriculture has stood in this House and betrayed rural Canada with the elimination of the Crow benefit. For the members opposite, as a result of this budget, I predict that not this summer, not this fall, perhaps not even next year, but in the next election which is held in this country no Liberal members will be elected in the province of Saskatchewan.

• (1825)

The budget and the elimination of the Crow benefit will be the major reason for the defeat of the minister of agriculture and all of his Liberal colleagues from Saskatchewan.

What is the argument for abolishing the Crow benefit? If the argument is that the Crow has to be cut to conform with the GATT, farmers do not buy it. The requirements of GATT can be otherwise met. At least that is an argument. If Canada cannot afford the subsidy, at least that is an argument. What is the argument for essentially scrapping this transportation policy and putting nothing in its place? It is not fair.

It is also not fair to reduce dairy subsidies by 30 per cent, but transport subsidies to Saskatchewan grain farmers are cut by 100 per cent. We know Ottawa has a deficit and debt problem, but we must do our bit. This means we should tailor the suit to fit the cloth.

The scrapping of the Crow has left serious questions unanswered. In the short term the issue of who gets the $1.6 billion payout and how and when it will be distributed must be answered now for the farmers in very clear terms so they can make informed decisions about this year's operations.

More important, Ottawa must look at the long term because these long term costs will be high. The former chairman of the agriculture committee, who is participating in this debate from his seat, is quite upset with the fact that farmers are upset with his government and his party for having eliminated the Crow benefit.

I can assure the member that when the next election is called even the Alberta members in the Liberal Party will be defeated as well and perhaps also those from the Liberal Party in Manitoba.

I want to recognize the impacts to farmers in Saskatchewan of the abolition of the Crow benefit. Swift Current is a city in the western part of the province. The tonnage, the freight rate for a tonne of grain, will increase from $13.82 in 1994–95 to $28.58 in 1995–96. That is about a 125 per cent increase. Also, the projection for 1996–97 shows the freight rate for a tonne of grain will increase to $32.28, a further increase.

In the eastern part of our province, the southeast where we have a Liberal member sitting, in Estevan district, the increase will be from $11.80 per tonne in 1994–95 to over double, $23.48 in 1995–96. For 1996–97 the projection is $34.64, tripling the current rate.

Those in the eastern part of our province will be hardest hit. The overall result barring crop adjustments will be a loss of $320 million a year in net farm income in Saskatchewan alone. This represents a drop in income of about 50 per cent for farm families, and any shortfall in grain prices will compound their loss.

At the same time, federal safety net funding is to be cut by 30 per cent over the next three years, again hitting mostly the grain sector. We see substantial increases to transportation in Atlantic Canada for highways and roads but we do not see any comparable increase for the loss of the Crow benefit which will severely impact our good road system in Saskatchewan.

Ottawa's changes to the regulatory system mean that as of January 1, 1996 some 500 miles of light steel rail lines will be subject to abandonment with no review, affecting 48 communities in Saskatchewan. Another 3,000 miles of branch lines become eligible for abandonment after an as yet undefined review process, affecting another 383 cities, towns, villages and hamlets. This fast tracking of branch line abandonment means higher trucking costs and the further one is from a main line, the higher those costs will be. For instance, the distance from Kyle, Saskatchewan to the nearest main line is about 70 kilometres; from Val Marie it is about 150 kilometres.

What about the higher road maintenance costs to support this increased trucking? Who pays for this? I am encouraged Ottawa finally recognized the road impact, but the $300 million adjustment spread over six years and across three provinces with only part of this designated for roads—

The Acting Speaker (Mrs. Maheu): Your time has expired.

ADJOURNMENT PROCEEDINGS

• (1830)

[*English*]

A motion to adjourn the House under Standing Order 38 deemed to have been moved.

CANADIAN WHEAT BOARD

Mr. Len Taylor (The Battlefords—Meadow Lake, NDP): Madam Speaker, I would like to thank you once again for giving me the opportunity to address questions to the government which the people of Saskatchewan, particularly farm people and the communities they support, are concerned about.

On March 17, on behalf of the Minister of Agriculture and Agri–Food and the Minister of Finance, the Minister of Transport answered, inadequately, two important questions I put to the government in regard to the Liberals' plan to eliminate the Crow benefit.

First, I want more information with regard to the future of the Canadian Wheat Board and its request for regulatory control over freight rates. The minister was aware that the Canadian Wheat Board asked the federal government to give farmers a short term break on freight rates and I agreed with the board.

There is no debate about how the elimination of the Crow benefit will affect the increased costs of shipping grain by rail. Those costs will increase dramatically. In fact, for the benefit of those who are uninformed here in the Chamber tonight, it should be noted that when taken to its lowest common denominator, the average benefit of the Crow rate to a Saskatchewan farmer in 1994–95 terms is $15.63 per tonne out of a total grain freight cost of $30.35 per tonne. On an average sized farm this means an average increase in costs of $10,000 to $12,000 per year per farm as of August 1, 1995. As members heard me say in my speech in the House last week, this means a community increase of about $1 million for every delivery point in the province.

Given no other changes, the government's decision to eliminate the Crow benefit will result in a doubling of farmers' shipping costs at the same time that farm income support from the federal government will drop by 30 per cent over the next three years. There is nothing to say that when the federal government removes itself from the business of helping to move grain to port by rail that the railways will not immediately increase the cost of the freight. The Canadian Wheat Board, most Saskatchewan farmers and I would like to see some sort of regulatory control put in place to ensure that there are no immediate or later unnecessary increases imposed on farmers during this most vulnerable time.

On March 17 I also raised the question of the future of the Canadian Wheat Board because no studies have been done on this subject. The government is eliminating the Crow benefit with the stated intention of reducing the amount of grain grown on the prairies in favour of more crop diversification. With less grain, especially wheat, and with the need of the Canadian Wheat Board to have a secure supply of product on hand for our many customers around the world, I want to know if the government has spent any time studying what the long term implications of the decision to eliminate the Crow rate will have on the Canadian Wheat Board and the security of its supply.

In a supplementary question I expressed concern about the pending payout of $1.6 billion. It is already acknowledged that farmers' costs will be increased by the elimination of the Crow benefit and it was speculated from day one that land values would decrease. Now it seems that the Liberals are acknowledging that land values will decrease and, as a result, they are putting in place a financial compensation package which seems to only address the decrease in land values.

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Madam Speaker, I am responding to the hon. member's question of March 17.

The WGTA reform will have a major impact on our grain handling transportation system. The Ministers of Agriculture and Agri–Food and Transportation, in consultation with all stakeholders, have developed plans and strategies to assist farmers in making the transition to a new market environment.

This will include a legislative and regulatory framework which will assist in the achievement of efficiency gains. For example, the provision of the National Transportation Act will help to foster competitively priced grain transportation services and cost savings for farmers and shippers. A system will be put in place to ensure the provision of necessary information, monitoring and review processes. These in turn will be used to track system revenues, costs, efficiency achievements and an appropriate sharing of benefits. In other words, provision has been made to pass efficiency savings on to the farmers.

• (1835)

Regarding the hon. member's concerns related to the government's ex gratia WGTA payment, it is important to note that the transportation subsidy had an impact on land values. With the elimination of the subsidy, the payment addresses the subsequent changes in these land values.

In addition, the payment is decoupled. This means it will be market neutral with respect to future production and marketing decisions of producers. It is also in keeping with Canada's international trade obligations.

It is important to note the government's assistance is not limited to this payment. Saskatchewan will share in a $300 million adjustment fund.

[*Translation*]

MIL DAVIE SHIPYARD

Mr. Maurice Godin (Châteauguay, BQ): Madam Speaker, my remarks tonight follow up on my question to the Prime Minister on December 8, 1994, about the contract awarded to Saint John Shipbuilding without a call for tenders; the MIL Davie Shipyard, which had submitted a bid, was wronged in the process. Here is the question I asked:

> How can the Prime Minister explain that, despite the clear directive issued by him to the president of the consortium, Mr. Ken Hall, Hibernia has refused to redress the injustice to which he has himself so strongly objected?

The Prime Minister answered:

> I think the company should not have acted in this way. I have said it clearly, but since we own only 8.5 per cent of the company's shares, we cannot force it to change its decision. I still think it is a bad decision for both the Newfoundland shipyard and the Quebec shipyard.

The answer given by the Prime Minister is not complete. In my opinion, it is not true that the federal government is not in a position to force its views on the Hibernia project. It is true that the federal government owns 8.5 per cent of the shares in the Hibernia project for $340 million, but the Prime Minister forgot to tell us that the government invested $400 million more in 1992, when Gulf pulled out. The federal government also pays almost $100 million in cost overruns. It granted $1 billion in subsidies and gave $1.7 billion in loan guarantees. More over, it undertook to pay the difference in production costs between the market price and $25 a barrel.

Let them not pretend the federal government is just any other investor. It is the main investor in the project with $3 billion out of $6 billion. The Prime Minister should have taken a tougher stand and demanded that the consortium follow his directive. Hibernia is the perfect image of Canadian federalism with the lobbyists making the decisions and the Prime Minister carrying them out. As a result, we have policies which lead to waste and a debt of $500 billion, megaprojects which are ruining us and will never be profitable.

Of the five modules ordered for the amount of $100 million, two were made in Korea, two in Italy and one in Newfoundland, following construction of a shipyard 25 per cent of which was paid for out of our tax money. We were told that the study recently claimed that MIL Davie was not profitable, but who produced this study? It was Ernst & Young, which contributed $116,452 to the Conservative and Liberal Parties in the last election and received federal contracts worth $2.4 million in 1993–94. Can Quebecers trust such a partisan study? What I would like to know is if the Prime Minister will make a commitment to ask the consortium to grant the contracts for the construction of future tankers to MIL Davie as was done for Saint John Shipbuilding, that is without a call for tenders?

[*English*]

Ms. Jean Augustine (Parliamentary Secretary to Prime Minister, Lib.): Madam Speaker, I am pleased to respond to the member.

The hon. member was not satisfied with the response of the Prime Minister to his question of December 8, 1994. The question at the time related to the process followed by the Hibernia consortium last fall when it became necessary to remove some work on drilling modules that had commenced at the Marystown shipyard in Newfoundland. The work had fallen seriously behind schedule.

In order to avoid jeopardizing the schedule for the entire project, an outcome which could lead to severe cost overruns, the Hibernia Management Development Company decided to place the completion of this contract in the hands of another shipyard on relatively short notice.

The contract was transferred to Saint John Shipbuilding for completion in New Brunswick without giving the MIL Davie a formal opportunity to rebid on the remaining work. The member knows that MIL Davie had submitted a bid on the contract when it was originally tendered but lost out to Marystown.

After the Canada–Newfoundland Offshore Petroleum Board reported on the process, followed by the HMDC, the Government of Canada and the Prime Minister again asked the Hibernia consortium to review its decision. The owners did review the decision and four out of five concurred with the chosen course of action.

With an 8 per cent ownership interest in the project, the Canadian government is not in a position to direct decisions taken by a basically private sector consortium.

I hope this clarifies the matter for the member.

The Acting Speaker (Mrs. Maheu): It being 6.41 p.m., this House stands adjourned until tomorrow at 10 a.m., pursuant to Standing Order 24(1).

(The House adjourned at 6.41 p.m.)